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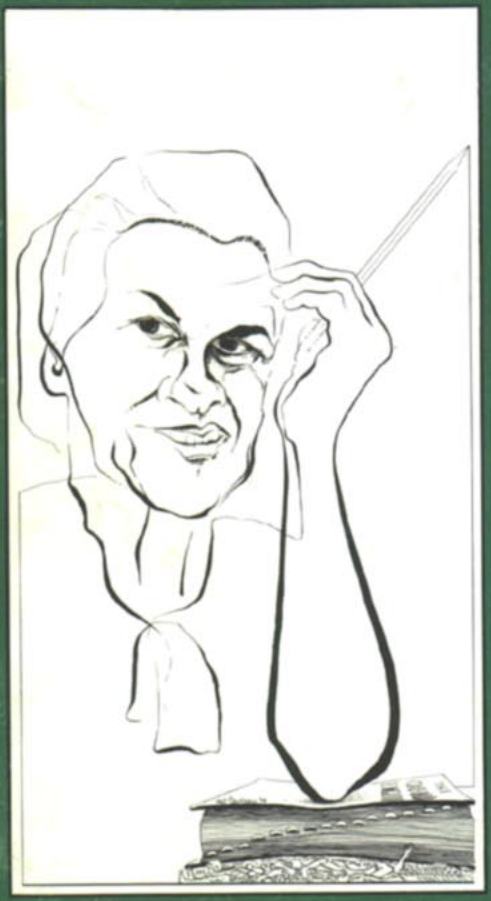

Mary McCarthy~ The Blinders She Wears

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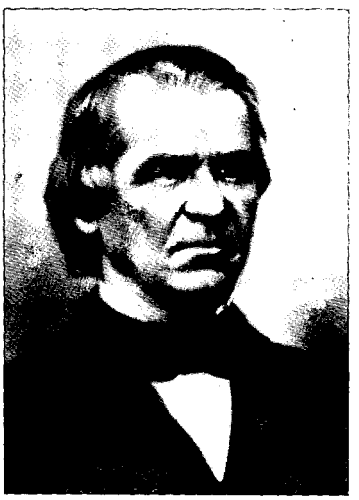

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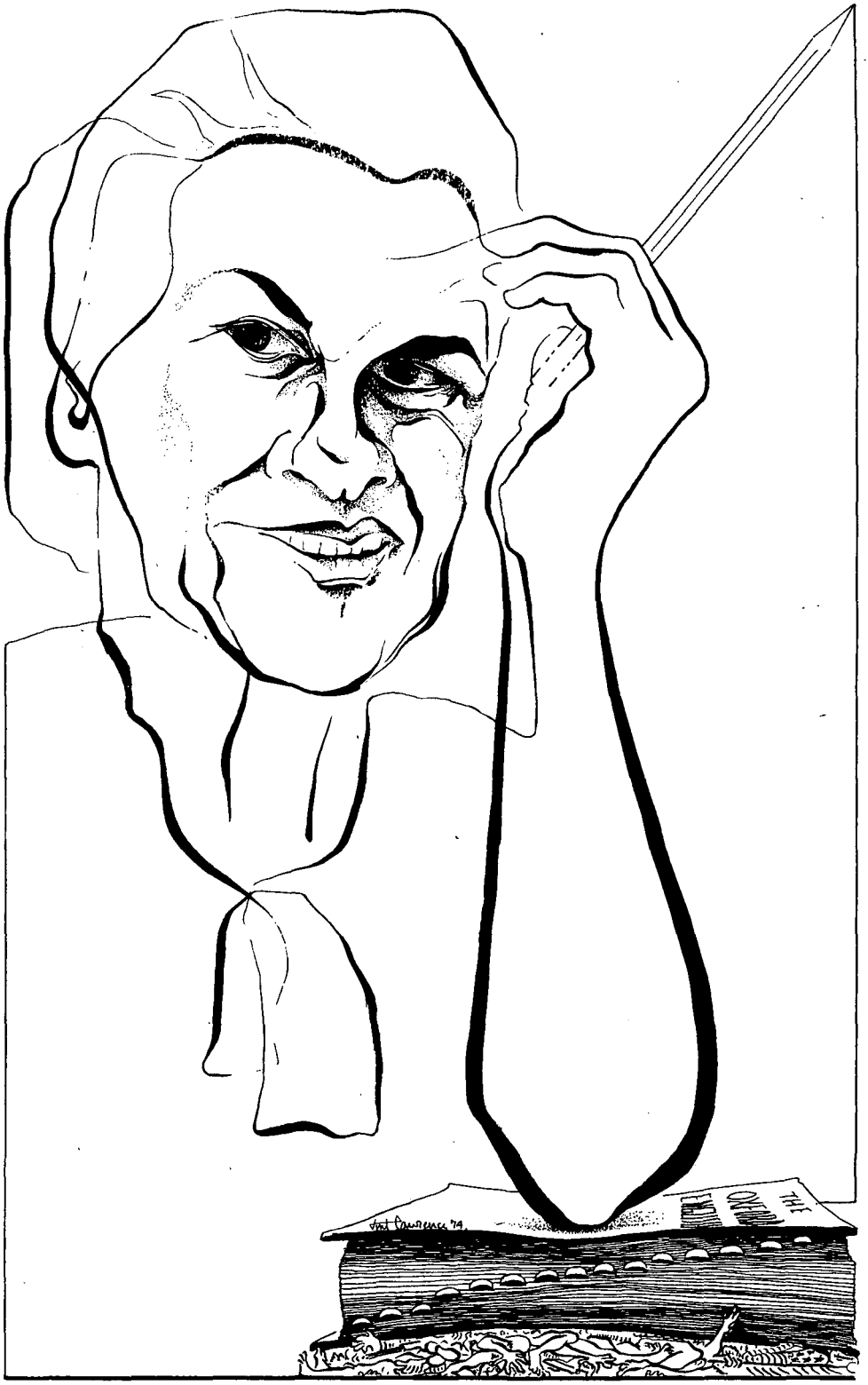

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Mary McCarthy-The Blinders She Wears

by James Fallows

Last March the *New York Review of Books* published two articles about the Americans who had been held as prisoners of war in North Vietnam and who are now telling their stories in print. One of the articles was by Anthony Lewis, and it reached a conclusion not easily swallowed by those who regarded our participation in the war as misguided or immoral: that the Americans were, indeed, tortured by the North Vietnamese, and that the inconvenience of that fact is not a good enough reason to ignore or disbelieve it.

The second article was by Mary McCarthy, and it dealt with only one of the POW books Lewis discussed, Robinson Risner's *The Passing of the Night* (Random House, $6.95). Risner, who spent seven years in captivity, has apparently never flinched in his devotion to the old American virtues—neither in prison nor on his return to the States; he is, in Mary McCarthy's words, "a widely-admired hard-liner and Nixon zealot." What provoked her to write about him was not so much the substance of his book—she alludes only to one three-page section of it—as the fact that the two of them had met once, in 1968, when he was a prisoner and she was touring North Vietnam to report for *The New York Review*.

The McCarthy visit was only one in a series of meetings between the prisoners and foreign observers, who mainly came from Eastern bloc countries and Western anti-war groups. Risner says in his book that the visits were generally occasions for brutality against the prisoners (the North Vietnamese being apprehensive about the prisoners' performance), and that he underwent a particularly gruesome round of torture immediately before Mary McCarthy's arrival. Rather than have photographs of his family displayed before the previous delegation, a TV crew from East Germany, Risner had torn them up and hid them in his toilet pail. For this he was tortured, as he had been for previous refusals to tell foreign delegations that the U. S. should abandon the war. The very pointlessness of these gestures—the confessions of a man in captivity could not have been counted for much—actually reinforced my faith in the plausibility of his account. The matter-of-fact description of inhuman acts, the dogged intransigence about inconsequential points of "honor" for himself and his country, are parts of one consistent view of life. The "enemy" will be senselessly cruel and so the officer must senselessly resist:

> He was really brutal tearing the skin off my shoulders and neck and cutting them deep. The same procedure on my ankles. Everything was bleeding, but I didn't notice that. I was in too much pain. When they

James Fallows is an editor of The Washington Monthly.

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bend you up like that, everything protests. Your hip joints pull and are almost dislocated. . . . It is hard to explain your feelings after you have been in pain like that for a long time. It sucks your will in a hurry. You start balancing the pain against the value of what they want. I wanted desperately to protect my family, by not letting the Cat and others get their dirty hands on those pictures. Those pictures were sacred. . . . It was almost a question of the principle of right and wrong.

Soon thereafter, Risner met Mary McCarthy. His captors had warned him that he would be punished again if he failed to play the Grateful Prisoner for her. Accordingly, Risner says that during the McCarthy visit the talk skimmed the surface in forced discussions of Bibles, sweets, and vague hopes for peace.

The publication of Risner's book cannot have been a happy occurrence for Mary McCarthy, for if he was telling even a bit of the truth, she had missed something big in the North. In her book, *Hanoi*,* she devoted a little more than two pages to a discussion of the two unnamed prisoners she had met. What clearly interested her more than the men and their activities was the difference between them and her:

The Vietnamese, one hears, have been taken aback by the low mental attainments of the pilots, who have officer rank (the gaunt, squirrel-faced older man led in to see me [this is Risner] was a lieutenant colonel) and usually college degrees, which must be leading their captors to wonder about American university education. I was taken aback myself by a stiffness of phraseology and naive role-thinking, childish, like the handwriting . . . printed or in round, laboriously joined cursive letters. . . . Far from being an elite or members of an "establishment," they were somewhat pathetic cases of mental malnutrition.

Since Mary McCarthy would certainly have said something about the torture if she had suspected it was going on, the implication is that she didn't notice. It would be very hard to fault her for this misperception; unless a writer were expert in detecting the medical signs of abuse, he might find it impossible to pierce the surface of the formal POW presentation—which was expressly designed to convey the most favorable impression of how the prisoners were being treated. As skilled a journalist as Anthony Lewis had not been able to detect the torture. He too managed to see two POWs in Hanoi, but the interview was so confusing that eventually he omitted it entirely from his reports for *The New York Times*.

In his *New York Review* article Lewis handled the POWs' revelation with some grace. He acknowledged the POWs' opinion that journalists had been naive: "I think the men underestimate the difficulties, and the efforts made to get a sense of the truth, but there is something to their feelings."

Mary McCarthy was less ready to concede the point. Her article in *The New York Review* is a defensive and quite petty reply to Risner, intended as far as I can tell, to demolish his stature as a witness. He says she offered to bake him a cake; she can't remember it. He thinks she asked to see him specifically; she says no. She blows the dust off her old notebooks to find unflattering characterizations of Risner: "tight lined face, wilted eyes, somewhat squirrelly. Fawns on Vietnamese officer. Servile. Zealot"; and then she objects to his description of her as "large." She says that even if she'd suspected that torture was going on, the "highly perceptive and intelligent" North Vietnamese official she was traveling with would have denied it, for how could such a man have countenanced brutality?

Mary McCarthy's hatchet has been bloodied before, and she counts such figures as J. D. Salinger, Truman Capote, and David Halberstam among her victims. But the Risner article was the first in which she'd attacked a defenseless victim, a man so ill at ease with words as to be in no condition for trading debating points with anybody. The case suggests some interest-

*Now included in the new book, *The Seventeenth Degree*, Harcourt Brace Jovanovich.

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ing questions about Mary McCarthy. She cannot be blamed for having missed the truth the first time, although she may have been mistaken to draw belittling conclusions from the evidence ("naive. . . childish") rather than withholding judgment as Lewis had done. But there are ugly implications in the fury with which she lashed back at Risner; she shows no awareness that missing the truth, whether innocently or not, is a matter of some gravity.

Mary McCarthy's importance as a political writer is no longer to be overlooked. Eight years ago she was exclusively a novelist and literary critic; this spring, she is publishing books on *both* Watergate and Vietnam* (a unique accomplishment), and she is a star political correspondent for *The New York Review of Books*. Her commentary has a larger significance as well, for it indicates another wrinkle in the rough connection between political writing and political reality. This magazine has published several articles exploring the ways journalism can more fully embrace the truth of public affairs. Several months ago I wrote an article suggesting that a novelist's eye and understanding would improve most writing about public affairs ("Will Editors Ever Love Flaubert?" March). Mary McCarthy's political writing shows the other side of the story: the damage that can be done by a novelist with insufficient care for the facts.

Her two books on the war are a good place to start in an evaluation of Mary McCarthy's writing. *Vietnam* and *Hanoi* were the products of trips in 1967 and 1968 to Indochina, the first to South Vietnam and the second to the North. They were published as reportage in *The New York Review*, then re-issued as books, and now form part of *The Seventeenth Degree*. (The third major essay in the new book is

*The Vietnam book, *The Seventeenth Degree*, is a collection of old writings with a new introduction; the Watergate book is called *Mask of State*, Harcourt Brace Jovanovich, $7.95.

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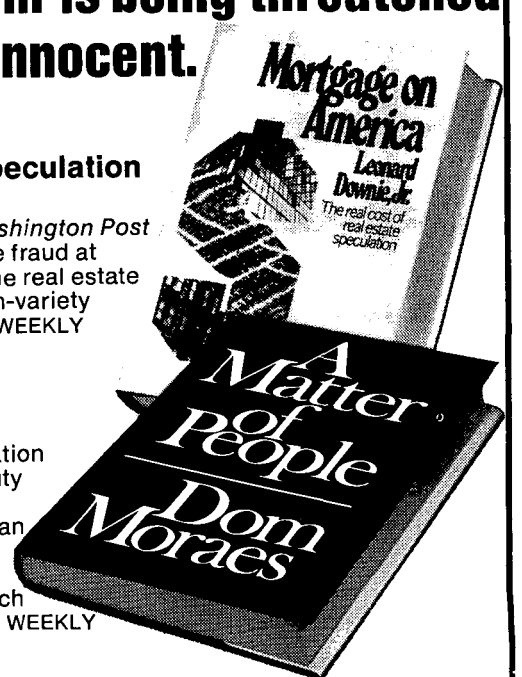

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Medina, originally published in 1972, an account of the 1971 trial which led to the acquittal of Ernest Medina, William Calley's commanding officer at the time of the My Lai massacre.)

Mary McCarthy undertook *Vietnam* and *Hanoi* as her personal effort to do something about the war. The first words of *Vietnam* are, "I confess that when I went to Vietnam early last February I was looking for material damaging to the American interest and that I found it . . . ." Unfortunately both books suffered from a deficiency which severely limited their worth as either literature or as polemic—a lack of objectivity so profound as to make even sympathizers wary. In both countries she applied her renowned skill in rendering detail. (It is said that when Edmund Wilson, her husband for a time, was teaching Mary McCarthy to write, he would stand her in front of a store window, let her look for 30 seconds, and then turn her around and make her describe the contents.) But the details she selected in the one country were so different from what she reported from the other that, even with the considerable differences between North and South Vietnam taken into account, the contrast was implausibly overstated. South Vietnam was peopled by the greedy and the diseased; the North Vietnamese were pioneer stock making their way with fortitude and bold resolve. In the South, Mary McCarthy shows us a leper colony; in the North, a group of school children not only radiant with health ("No acne in North Vietnam") but also well-mannered nearly to a fault ("You would not find such a well-disciplined class in America today"—has she forgotten her Catholic upbringing?). There are hateful masses in the South; in the North "wherever you go you are met with smiles, cheers, hand clapping. Passers-by stop to wave at your car on the road." "In glaring contrast to Saigon, Hanoi is clean—much cleaner than New York, for example." Such is the difference in sanitation that while the South cannot keep even its hospitals clean, even the pigs in the North are housed in "clean pigsties," a notion that adds considerably to previous understanding of what "pigsty" means.

No doubt the North of Ho Chi Minh and the South of the fast-turnover dictators possessed some of the features Mary McCarthy attributed to them, but the comparison was so out of balance as to lose its verisimilitude. The fault cannot simply be traced to her political commitment; no one could have been more committed than Daniel Ellsberg, after all, and yet when he decided to talk, his *Papers on the War* carried great persuasive weight. The Ellsberg comparison suggests the real defect in Mary McCarthy's work: that she was practicing set-piece journalism without taking any of the necessary precautions against the hazards of the genre.

Switching the Brain to Automatic

"Set-piece" writing, which is increasingly the dominant mode of political and literary criticism, means that the author confines himself to one discrete topic, one occasion for writing—be it a book to review, a play to criticize, or a journey on which to report. Having selected his "set-piece," the writer then trims his own curiosity—often automatically—so as to prevent it from extending beyond the bounds of the set-piece. To give the most notable example, there is nothing prohibiting book reviewers from including more factual material, original research, even talks with the authors, in their essays. Reviews might be better for the inclusion, but automatic habits of mind ("I'll knock off that review this afternoon") prevent most writers from thinking of it. Mary McCarthy's case illustrates the more subtle difficulty, which is that even when writers make strenuous efforts to leave their writer's-den—whether by going to Vietnam or covering the presidential campaign—they can often

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switch their brains to automatic and let the set-piece do their thinking for them.

Sometimes high-quality work does grow out of a set-piece, but when that happens it is usually because the writer has one of two qualifications. He may, on the one hand, bring to the set-piece such a body of experience and reflection that the specific topic becomes an occasion for rich speculation. (This is the difference, as commonly understood, between "book reviewers" and "critics." It is also the quality that enabled Daniel Ellsberg to make sense of that great set-piece, the Pentagon Papers. Having seen the way the war worked from the inside, Ellsberg was able to write "What Nixon Is Up To," which *The New York Review* published in 1971, before Ellsberg was a celebrity.) If, on the other hand, he lacks the experience, the writer can still make something of the set-piece by roaming abroad from its borders to find the pieces of evidence not conveniently included in the package. I. F. Stone is one of the very few who have navigated this second course successfully.

Unfortunately Mary McCarthy is qualified by neither of these tests. Her experience is not deep enough for her to make sense consistently of what she's shown, and she is almost never willling to step beyond the confines of the formal set-piece presentation. Nonetheless, virtually all her political writing works from set-pieces: the trips to Vietnam, the Medina trial, the Watergate hearings, the books by Halberstam and Risner. That means that while her political writing has its virtues, it is generally a lesson in what to avoid.

The Limits of Pure Sensitivity

Prime among Mary McCarthy's virtues is that she will tell you what she sees. Now and then in the Vietnam and Watergate books she sticks in an awkward fact, like sand in the oyster, just to let you know it has not escaped her notice. Her portrayals of the Watergate principals are some of the most sympathetic yet to appear; she lavishes care on John Mitchell, especially, to absolve him of the worst sins and present him as a pathetic victim done in by his own ideas of loyalty. In South Vietnam, she prefers the blunt-spoken Marines to the mealy-mouthed PR men; at least the soldiers won't lie to you. In the North, her hosts present her with an aluminum ring; the metal it is made of came from an American plane they shot down. She admits a physical aversion to the ring, and realizes that "quite a few of the questions one does not, as an American liberal, want to put in Hanoi are addressed to oneself." These insights ring true because she knows what she is talking about. She comes armed with the kind of relevant experience that enables her to interpret wisely.

Why aren't there more of these moments? Because Pure Sensitivity, untainted by fact or research, can go only so far, and then it runs into things that are actually different than they seem. *The Seventeenth Degree* and *Mask of State* are full of these deceptions, cases in which Mary McCarthy, for one reason or another, is not able to draw valid conclusions from what she sees—and, far from reserving her opinion, goes on to interpret the situation boldly and incorrectly. One of the more egregious instances arises in her discussion of the economics of communist states. Those countries are better suited to retard impersonal modern technologies than is the West, because "variety of manufactures, encouragement of regional craft, ought to be easier for communist planners whose enterprises are not obliged by the law of the market to show a profit or perish." In this case she does not know what she is talking about. Economic planners from Bulgaria to, yes, North Vietnam could tell her that when they are choosing their projects, they—like their brothers the capitalists—rely on cost-benefit analyses to determine where to put their money.

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They may call it "people's gain" rather than "profit," but they're talking about the same thing (as the paucity of "regional craft" in most socialist states indicates).

The misunderstandings that occur in *Mask of State*, are generally of a slightly different type: mistaking the ploys and double-whammies one side was using against the other for the real, unrehearsed historic action. It is obvious by now that the Administration's greatest weapon during the Ervin hearings was John J. Wilson, the aged fireplug of a lawyer who seemed always to be rebuking the senators for their offenses against his clients, Haldeman and Ehrlichman. After four or five of his outbursts, Ervin and the rest were so buffaloed that they began directing their tactics with the primary goal of preventing Wilson from yelling. What did it matter if Mr. and Mrs. America thought Wilson was outrageous if he was keeping the ogre from his clients' door? George V. Higgins, in a superb article in the April *Atlantic*, captured the importance of Wilson:

> Whenever the committee got close to his clients, or to the President, who had some interest in how they did, he went into his best crusty-old-lawyer number. He got into legal arguments with Ervin, and used up Ervin's time. He professed inability to understand Baker's questions, and used up Baker's time. He locked horns with Weicker, and made him very angry, and used up Weicker's time . . . . well-prepared, and a wall-eyed disaster for the committee. He did what a good lawyer is supposed to do for his client: he ate the opposition alive.

How much of the insider's story did Mary McCarthy capture? Wilson is introduced as a grotesque, one of those alarming night creatures likely to crawl out from odd corners of the capital: "John L. Wilson, the dean of reactionary lawyers in Washington, a querulous dropsical old party with a mean City Hall mouth and a shrill ungoverned temper recalling Rumpelstiltskin." Shortly afterwards she dismisses him as a powerless ninny and does not let us hear from him again: "Wilson's querulous objections got shriller; you expected him to stamp his tiny foot like a thwarted Fury when overruled." Wilson, of course, could not have cared less how he looked on TV, or to Mary McCarthy. In fact, the more of this kind of publicity he got, the better his strategy worked.

Glued to Her Seat

No one can know everything, but what makes these misperceptions the more alarming is that Mary McCarthy does not take the one step that could prevent them. If John Wilson seemed to be making a fool of himself, with his clients' approval, she might have asked a lawyer or even another reporter about what was going on. But, apart from one tour of the Watergate Hotel (where she was staying), she makes no attempt to stir from her seat. She says in *Medina* that the trial itself was a colossal bore. It gave her time to speculate—for example, about the witnesses who were testifying to different stories than they'd told at the Calley trial. She wonders: "Had they changed, along with their testimony?" Interesting question. Just the kind of question the reader might like to have answered for him. But finding the answer would mean tracking down the witnesses, talking with them and their families, leaving the courtroom in search of the facts. The reader cannot do that for himself; evidently Mary McCarthy will not do it either, for she provides no further enlightenment on this point. She is a marvelous source of questions: throughout the Vietnam books she asks: Whoever thought of this program? What were things like before? What would officials say about the catastrophe? But she does not attempt to find the answers.

(In the Watergate book, she does, in fact, try to do more than report her initial reaction to the event. She ends with a long section apportioning blame among members of the White House gang, matching names with crimes. But this was less a matter of

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asking questions the committee didn't answer than sitting in her Paris apartment with the Ervin committee transcript and speculating about the missing pieces of the puzzle. Her conclusions are logical enough—Nixon is the likely culprit, and should be removed—but they are neither more profound nor more provably true than those reached at dinner-table conversations in half the households of America each night.)

If the mounds of unanswered questions are not to be taken as a sign of laziness, they at least suggest that Mary McCarthy has not fully comprehended that journalism is a serious business. She obviously enjoys being on the scene of the political story of the day, but she feels no compulsion to be there long enough to ask all the questions and find the answers. She frequently expresses pique at the burdensome necessity of actually showing up at the affairs she is to cover. She missed the first week of the Medina testimony because of her husband's vacation plans. She dropped out of the Ervin hearings early because it was time to return to Paris: "Those who watched on television during late September (I was no longer in America) said the low point came . . ." In the preface to *The Seventeenth Degree,* she says: "The trouble with trying to be a reporter is that events either hurry ahead of you or else lag behind. They do not sit still and wait for you to join them like the characters in a novel." Her attitude and performance realize the worst fears of the enemies of the "New Journalism," who predicted that writers who embellished the facts might fail to include the facts at all.

Sometimes the questions go unanswered for a different reason: not that it would take extra legwork, but that she's embarrassed to ask. On arrival in North Vietnam, Mary McCarthy was, she says, confident of her ability to find the truth and bring it home. With passing time, "I found my claim to being a disinterested party starting not exactly to disappear, but to shrink from showing itself, as if ashamed. The Vietnamese, beginning with peasants eagerly showing you where their fields had been bombed, had an earnest, disarming conviction that you would give them total credence. To question facts, figures, catch small discrepancies would be to abuse this open, naive (from a Western point of view) trust." The sensitivity which produced this response is not to be ridiculed, but the role of the tactful guest is not the role of the journalist. The minute you start feeling like anybody's guest, you are dead as a journalist, and that is part of what happened to Mary McCarthy in Vietnam.

The Story She Missed

I came across one of the most puzzling of the unanswered questions when I was re-reading *Vietnam* some time ago. Mary McCarthy ends the book urging the anti-war movement to stop wasting its time talking about

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"solutions" to the war. Its job, she says, is to make clear to Lyndon Johnson that the war had to stop, and then to leave the details to him and his friends in the Pentagon. As part of this argument she states that "Americans who are serious in opposing the war should be refusing to identify themselves with the U. S. government, even a putative government that would... prepare, as they say, to sit the war out." The question here is, what about the author herself? Her husband, James West, was as she wrote those words an American diplomat, and as such more than slightly identified with the American government and its foreign policy. Was he a secret dove? Was she somehow "refusing to identify" herself with him, or he with her? How had she applied the prescription she recommended to others?

I found what I could from the State Department. James R. West, now 59 years old, joined State in the early 1950s, having served for six years in the Air Force (which he left as a Major). He has shown some mastery of the art of diplomacy within the State Department, having managed to spend nearly all of the past 20 years stationed in Paris. In 1962 State "seconded," or loaned, him to the Organization of Economic Cooperation and Development, which is also located in Paris; he served there as an information officer. On June 30 of last year he voluntarily resigned from State, but he continues in his OECD position.

The bare bones. Only so much to conclude: that James West had not resigned from the service of his government during the war, but neither had his government fired him for his wife's dissent. There must have been more, but I could not be sure what it was until I read, "The Way It Went," the new preface to *The Seventeenth Degree*.

It seems that Mary McCarthy was more aware of the delicacy of her husband's position than any of her wartime writing revealed. Robert Silvers of *The New York Review* had first asked her to go to Vietnam in 1966, by which time she was already racked by loathing for the war and abhorrence for the bombing. But she could not go in 1966; it was because of her husband:

> If I went, he said, he would have to hand in his resignation. "Are you sure?" I said. "Yes." He had three children to support, as well as alimony payments to make, and had spent most of his life in government service, first in the Air Force and later with government agencies. "Well, then, I can't go." I did not feel he was constraining me, only presenting me with an ineluctable fact. There it was. I could not invest *his* life in my desire to go to Vietnam.... There were no bad feelings between us. Rather, the contrary. It was as if my trip was a sacrifice we had made jointly: he, too, had wanted it for me.

One year later Silvers asked her again. Things were different for her husband. He would let her go:

> "But are you going to resign?" I said. "Hell, no. They'll have to fire me." That was the decision he had come to. "Maybe they won't." "Maybe."

The most important story of the war is contained in these two conversations. At least half the people in the State Department stood in James West's shoes when he told his wife, in 1966, that he opposed the war but that he wasn't ready to lose his job. By that time Foreign Service Officers everywhere were commenting sourly about the stupidity of the war—commenting, that is, to their friends and their families, and not to those on the outside; *commenting*, rather than jeopardizing their careers. The James West of 1967 was a far rarer case, for he had come nearly the full distance. A year before he, like most of the others, had placed the shackles on himself. Now even though he was not publicly dissenting himself, he had removed the shackles and agreed to take the risk. If Mary McCarthy wanted to understand how the war happened and why appeals to logic and good conscience were not stopping it, *there* was the story for her to tell. She gives it one sentence in

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The Seventeenth Degree: "What had changed was that a whole year had passed and U. S. policy was the same." She might well have given it a book, in which to explore why her husband had changed, what forces had imprisoned him before, why so few others had changed along with him, how more might be set free. These are the very lines of inquiry for which her training as a novelist would have best prepared her; they are, after all, questions of career, motivation, choice. Instead, she charged off to the war zone and wrote *Vietnam* and *Hanoi*.

Black Hats and White Hats

In her eagerness to *participate* by going to Vietnam, Mary McCarthy took the wrong turn at the crucial junction. The worst mistakes she has made since then are precisely those she might have avoided by staying to tell her husband's story. Instead of going to a land she'd never seen and attempting to judge events by the quick glances she allowed herself, she might have stayed with people whose motives she understood *as they understood them*. Clearly no one saw the gnarls of James West's dilemma with more love and toleration than his wife;* she realized that while he had been pressed into the service of an end he despised, he had neither lost his humanity nor forfeited her respect. Her understanding was not confined to her husband, but embraced other officials she *knew*. After deciding to go to Vietnam she decided "as a matter of courtesy" that she should pay a call on the late Charles Bohlen, then Ambassador to France and her husband's nominal boss. "For an hour we debated about Vietnam. It reminded me of school, when you have to listen respectfully to the principal as she carries out her duty, which is to point out to you the error of your thinking, even though she knows you will do what you have determined to do anyway. Having executed that formality, he became very nice . . . . The best qualities of old-fashioned American representatives abroad were being exhibited in 'Chip' Bohlen's gay and efficient helpfulness."

Knowing these men as she did, Mary McCarthy must have realized that labels slapped on from the outside could be terribly misleading. Bohlen could have been called a tool of the imperialists; her own husband might have been said to have changed from cowardice to courage within a year. In the cases of these, her friends, she could not help but know that the truth was more complicated. She must have been aware of the complexities that made her husband hesitant in 1966 and which bound many of his colleagues long afterwards. She might, if she had tried, have examined these complexities and described them in terms that Bohlen, West, and the thousands of others in their position would have recognized as true, and which, therefore, might have helped them understand exactly how they were trapped and what they had to do to escape.

But she did not do that. Instead, she has dealt exclusively with strangers, and has ended up producing series of political caricatures that ring true to no one. The public officials she describes are often one-dimensional, robot-like figures who march heedlessly forward with large keys labeled "Imperialism" or "Repression" protruding from their backs. It is the old problem again of not asking enough questions, caused this time because Mary McCarthy knows too much before she starts examining her characters. She knows that Vietnam was caused by French-American imperialism, and that My Lai made manifest the fundamental brutality of American life, and that the public ability to absorb the Watergate scandals "can be explained by the residue of guilt left over from Vietnam, guilt unadmitted by the majority and therefore all the more in need of relief."

*Although the late Edmund Wilson, after reading her satire of him in *A Charmed Life*, might not agree that love and toleration were the traits she brought to her spouse.

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With the motives already supplied, she need not endow her characters with the wrinkles and subtleties of the human world.

The temptation to over-simplify is as dangerous when she raises a hero as when she exposes a villain. In *Mask of State*, she naively builds Sam Ervin into a figure of quite implausible and un-human nobility, instead of recognizing from the beginning that he, like other real people, has his frailties and his blind spots, even though he is on balance one of the better men in public office. So when disappointment hits, it hits her hard, as when Ervin agrees to the Stennis tapes compromise and Mary McCarthy suddenly remembers that Ervin is a "hawk":

> How could this old man, looking benign and dreamy in the Oval Office rogues gallery, have welcomed a Trojan horse into so long and stoutly defended territory?... The answer, I am afraid, is that most men have a fatal weakness or—to stay in Troy—an Achilles heel, and Nixon had found Ervin's. Ervin is a hawk. We had forgotten it all in our affection for his love of liberty, Shakespeare, and the Bill of Rights. But Nixon had not . . . The White House played on the old warrior's patriotic sentiments, emphasizing the need for national unity in the impending showdown. Ervin succumbed. Well, every good man pays for his sins, and Senator Sam paid for a lifetime of being a hawk; he was diminished in the public eye and probably his own. The sudden loss of heroic stature made him seem pathetic, a deflated windbag still tiresomely huffing and puffing.

Worse even than describing public officials in terms appropriate only to a high-school civics course or a sermon ("pays for his sins," "heroic stature") is Mary McCarthy's active hostility to those writers who have tried to add just the element that she lacks. Her notorious knife-work on David Halberstam's *The Best and the Brightest* (included as a bonus essay in *The Seventeenth Degree*) is the clearest illustration.

Rare Compassion

The style of the onslaught is in itself off-putting. Mary McCarthy goes about her work with Halberstam in the fashion of the anti-pornography crusader who provides illustrations at his lectures. She insists again and again that the book is pointless, boring, stupid: "I cannot think who will be benefitted by *The Best and the Brightest*"; "there are few disclosures of the ordinary kind, that is of facts not generally known"; "there is nothing surprising in these personal histories"; and "the bewildered demand, 'Why is he writing this book? What is he trying to say?' may become, in the course of pages, 'Why, for God's sake, am I reading it?'" The book's vacuity established, she then goes on to steal all his best yarns and illustrations and sprinkle them throughout her review.

When dealing with the substance of the book she makes clear that she is most angry about its best feature: Halberstam's attempt to get inside the characters and understand how they viewed the maelstrom around them. In fairness to Mary McCarthy, she has not overlooked this accomplishment; indeed, she acknowledges it before dismissing it as trivial: "This kind of understanding, while it allows for the mixture of motives and the conflicts present, no doubt, in everybody, does not do more here, at best, than elicit sympathy for the actors as they looked to *themselves*, rather than as

Answer to the April puzzle:

1 I	N	2 D	I	3 C	T	4 M	E	5 N	T		6 C	7 H	I	8 C
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12 R	E	C	L	I	N	E		13 T	R	I	E	D	T	O
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28 C	H	I	N	A		29 A	N	E	W	B	L	O	O	M
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30 S	U	N	G		31 E	H	R	L	I	C	H	M	A	N

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history may look at them." (emphasis in original)

But only by trying to understand people as they understand themselves can a writer ever really hope to reach them. Mary McCarthy does not judge her husband as history will judge him, she did not judge Bohlen that way, and I doubt that she, any more than the rest of us, is able to apply these harsh standards to herself. Yet she dismisses Halberstam's attempts to portray the American officials not as war criminals but as men whom ambition and environment had led to a certain point. She writes off Halberstam's rich, if overwrought, characterization of Robert McNamara by saying: "The Vietnam policy required false figures to sustain it, and he was loyal." As for the motives of the cast as a whole, she has a simpler explanation than Halberstam's, with all its complications and "turning points": "I believe that our investment and markets *are* at stake in Vietnam. Vietnam has been fastened on as a symbol of the rights of U. S. capital to flow freely throughout the globe and return home." This kind of talk would mean nothing to Mary McCarthy if someone said that her husband had not resigned in 1966 because of American markets or the flow of U. S. capital—or that his later conversion mainly depended on those things. In his case, she could presumably recognize the difference between historical abstractions and daily realities. Perhaps because she has seen too little of the people she tries to immobilize within this formula, she can forget that they, no less than her husband, are complicated human beings with parts of them pulling toward honor and parts holding them back.

I think it is significant that the only "sympathetic" portraits in Mary McCarthy's political writing (apart from those in North Vietnam) come from the Watergate hearings. Mitchell's case is the most notable, but Kalmbach, Haldeman—in fact, virtually everyone but Ehrlichman and Magruder—are all treated more compassionately than they have been by any other writer. The explanation may be that in a sense Mary McCarthy *did* get to know these people. She watched Mitchell as he squirmed on the stand, and she could see that while he was patently lying, he was taking no pleasure in the act. Perhaps if she had been able to watch McNamara and Bundy under similar duress, she might have seen past the facade. Greater miracles have happened: Mary McCarthy's friend, Hannah Arendt, had watched Adolf Eichmann on trial for his life and had seen in him not the embodiment of evil but an illustration of "the banality of evil." While Mary McCarthy was able to see through Mitchell's crimes to his character, she could not do as much for *her* "war criminal," Medina. Perhaps because he spoke so little at his trial, perhaps because the war was still going on and the book was part of her campaign against it, Medina is caricatured as baldly as any of her figures, and rather less fairly (she called him impassive at the trial, said he showed "no traces whatever of the crime or its aftermath," but neglected to mention that he nearly disintegrated in tears at the end).

An Erudite Bully

Even with Mitchell, her capacity for understanding is less than complete, because she hits him with a few low blows. In Mary McCarthy's words the clearest distinction between friends and strangers seems to be whether they are proper subjects for ridicule and abuse. Those who know her (I do not) say that she is a charming and gracious woman, unfailingly polite, always solicitous of the feelings of others. She is almost excessively charitable in criticizing her friends' work. One cannot imagine her dismissing her friends with the brittle wit that so dominates her prose, or singling out in them those tell-tale signs of character (especially weak chins and fleshy hips) she is quick to discern in strangers.

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Yet something enables this gracious woman to make some of the most graceless comments imaginable, often with a strong, bullying tone. Far from merely over-simplifying strangers, she withers them, mocking their integrity and deriding their intelligence. She engaged so heavily in fussiness about grammar at the Medina trial—where the soldiers were expressing themselves badly—that Gloria Emerson of *The New York Times* was provoked to reply, "Who do you think was sucked into the Vietnam war, Miss McCarthy, our Harvard and Princeton boys? It was the American peasantry, who are very rarely among our great talkers."

When she has it in her heart to make someone look a fool, she can be a quick woman with the dictionary and the encyclopedia, and she can dance tight circles of erudition around her victims. There is an extremely revealing illustration in *Mask of State*, when she decides at one point that the time has come to balance her portrayal of John Mitchell by reproaching him on his grammar:

> "In hindsight," Mitchell now said (a favorite barbarism with him; *cf OED*: "The backsight of a rifle. 1851. Mayne Reid, *Scalp Hunt*. xxi, When you squint through her hindsights."), he thought there had been pressures . . . .

If she meant that Mitchell had used an awkward preposition with "hindsight," she could simply have said so; she might even have offered this illustration of its proper use from her own works: "which hindsight finally concedes might have been the best plan . . ." (*Hanoi*, p. xxiii) But obviously she meant to ridicule the word itself—why else trot out the OED? If so, she was bending the rules, in a game that two can play. Anyone who has looked far enough into the Oxford English Dictionary to find definition number one of "hindsight" has probably also seen definition number two: "Seeing what has happened and what ought to have been done after the event; perception gained by looking backward; opp. to *foresight*. 1883. *Trul. Educ.* XVII. 264. That a schoolman so preternaturally gifted with 'hind-sight' should have been so defective in 'fore-sight.' " It would be hard to find a better word for what Mitchell was trying to say, or a clearer indication that for Mary McCarthy sloppiness with the facts is not so serious a defect. Combined with her over-simplifications, her cavalier, I didn't-want-to-ask attitude, it suggests that the consequences of her carelessness are never brought home to her. It may be that, living in Paris, she has no one to check her excesses. She allows herself to write things like (in North Vietnam) "to question facts, figures, catch small discrepancies would be to abuse this. . . trust " and (in explaining why she didn't interview major government officials) "I hate embarrassing someone I am talking to. Arguing is one thing. But to sit across a desk, deferential notebook in hand, from some powerful personality you disapprove of, who would start lighting your cigarettes, beaming at you, seeking your sympathy for his difficult position. . . no! . . .I think I would almost rather assassinate such a man, if put to the choice, than fell him with an awkward question. . . . In Vietnam, even when I knew the right 'probing' question, I generally could not bring myself to utter it. Besides, people reveal themselves spontaneously." She needs someone to shake her at these moments, to say Stop! You're writing nonsense! That person is not there; and she herself, separated by thousands of miles from the people and events she describes, may begin to think that fidelity to the truth, to even its awkward twists, does not make much difference.

But carelessness with the truth is all the more grievous for a writer who hopes to do more than present the bare, sterile facts in a box-score manner. Even those who honor "objectivity" and cringe at such cliche labels as "advocacy writing" and "the New Journalism" often know that the best, the *truest*, writing occurs only

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when an author has something important to tell—some truth which he, like the novelist, wants to present to the readers in a way which will make them understand things they have not understood before. Doing so requires not only scrupulous fidelity to the who-what-where detail, but also a much greater effort of inquiry. It means especially that the writer must avoid the strait jacket of set-piece journalism. To use literary criticism as a parallel: if a reviewer confines himself to pointing out the good books and the bad, he will have provided some service to his readers. But if he is interested in helping authors understand the mistakes that are making them produce bad books, he will have to inquire more deeply, so that he can criticize in terms that will ring true to the author.

What Mary McCarthy wanted to say was that we must leave the war. If she had run to John Kennedy in 1963 or Lyndon Johnson afterwards and said that the flow of U. S. capital was going to trap us in Vietnam, they would not have heard a word. But if she had tried to understand *why* they fell into the next-election trap—the President's fear of "losing" Vietnam before the next election—she might have made something click inside their heads. If she did not reverse the course of history at that moment, she would still come closer than she ever could by calling them liars and imperialists. Even Richard Nixon, who seems so split between his pious and his unscrupulous personalities that the one must lie to cover up the other's activities, is susceptible to such reasoning: Melvin Laird knew his man well enough to convince him that our "honor" would be intact with Vietnamization, and Patrick Moynihan nearly kept him convinced that a guaranteed annual income would enhance his Administration.

To be persuasive in this fashion requires not less attention to the facts but more. Mary McCarthy's writings show too clearly the dangers of thinking otherwise. ■

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Memo of the Month

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MAY 1962 EDITION
GSA FPMR (41 CFR) 101-11.6

UNITED STATES GOVERNMENT

Memorandum

TO : All Region V Staff

DATE: March 19, 1974

FROM : Myron B. Kuropas, Regional Director Myron B. Kuropas

SUBJECT: Women's Meetings

In view of the inordinate number of meetings being held by women during the past month, no additional meetings are to be held by the women without prior authorization of the Regional Director.

3/20/74

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

5-10-108

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Why Price Controls Stopped Working...

by Robert Samuelson

"I don't want to brag about how dumb I am, but this job is plain as astronomy to me. I understand everything about it except what you have done and why, and what you're trying to do and how."

—a young detective in Dashiell Hammett's "Red Harvest," 1929

I.

Every investigator has his own style, and I have mine. There's nothing very special about it. Some have even called it plodding. But I like to begin every case the same way: a long lunch with a knowledgeable Source who feeds me reliable information and well-informed interpretation.

I like to pamper my sources. Flatter their sense of self-importance. Take them to lavish restaurants. Sans Souci. Rive Gauche. It loosens their tongues.

This, however, requires money, and, lately, my income and expenses have been running wildly in the wrong directions. So I met my Source in a more modest establishment: Hungry Herman's, a quick-lunch place on the first floor of the building where he worked. He was a senior economist for the Cost of Living Council.

I told him what I was about: a post-mortem on wage-price controls.

He stared at me blankly. It was the vacant look of a man who'd sat through the same movie six times, but couldn't rouse enough energy to leave the theater. His work inspired similar torpor.

It hadn't always been so. He'd been there from the beginning. Back in 1971, he was the government's expert on titanium stockpiles, work-

Robert Samuelson is a Washington writer.

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ing anonymously in the recesses of the Office of Emergency Planning. The Freeze had rescued him from titanium. OEP, with nothing better to do, was switched to economic controls.

That's when I first knew him. He was quickly caught up in the excitement, thankful to be rid of titanium, and flattered to be called by reporters. The exhilaration lasted about three-quarters of the way through Phase II, which would be about September, 1972. Then there was Phase III, Phase IV, and, now, Phase-Out. He looked tired.

"Of course, no one really wants to know what happened," he said, pawing at his barbecued beef platter, which I'd bought for him for $1.75. If that was all he was going to tell me, I figured I'd be better off reclaiming the barbecue and taking it home.

But he was probably right. Nobody did care. People wanted inflation down and employment up. They were sure that the government could do the trick, and they didn't much care how. If you had to give the government a lot more power to do the job, what was wrong with that? Of course, the controls hadn't seemed to work just right this time, but I suspected that we hadn't seen the last of them. Many people believed they hadn't been given a fair chance to work before Nixon pulled them off. After all, Phase I had seemed to do a pretty good job, before it was called off. And hadn't controls done the trick in World War II? As long as inflation persisted, the thought would come to mind: "Let's try some controls again." And what do you say to that? For starters, it might be a good idea to figure out what had happened this time.

He wasn't encouraging me.

"If you want to know, you've got to talk to cattle ranchers, so you understand meat prices. And you've got to burn your brains out with steel costs, and then ruin what's left on lumber prices. You don't want to do that."

I sure didn't, but I didn't say so.

"And when you're finished, you'll know why controls don't work, but you won't be able to explain it to anybody, and, even if you could, no one would listen. It's not Big Picture Journalism. To the average man, it's just a lot of trivia. Of course, some trivia sells newspapers, but I doubt you'll stir up much interest with productivity statistics, or the peculiarities of the cement industry."

I knew the problem. Like most economic reporters, I had a graduate degree from the Great Yawn School of Journalism: if you can't put 'em to sleep after three paragraphs, you can't write economics.

By this time, he was beginning to warm to the sour sounds of his own voice. I figured I might get my money's worth for the barbecued beef. He pulled out a cigarette and blew six of the most perfect smoke rings I'd ever seen. He watched them drift slowly across the room, and, as they disintegrated, he continued:

"Look, if you still want to do this story, you're going to have to do the work yourself."

That was disappointing. Never turn down a free meal. Never stand when you can sit. Never work unnecessarily. Those were my three rules of life.

"You take a look at the fertilizer industry, then try plastics. Also, trot over to the Federal Reserve Board and see what the Committee on Interest and Dividends did last winter." He got up. "If your interest survives, come back and see me in a couple of weeks."

I doubted it would.

II.

I started with fertilizer. That seemed the least dull of his suggestions, though not by much.

There are a few essentials to know about fertilizers. Plants need nitrogen. Fertilizer gives them nitrogen. The more fertilizer, generally speaking, the bigger the crop. The bigger the crop,

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the greater the supply. The greater the supply, the lower the price.

There is a fertilizer shortage in the U. S. now. The process works in reverse, so less fertilizer will probably mean higher food prices. No one disputed this logic. Nor, I found, did many people dispute the fact that economic controls had contributed to the shortage.

The story was simple. In 1972 the world price of key fertilizers rose significantly—50 to 75 per cent—above U. S. prices. A very predictable thing soon happened: with U. S. prices held down by controls, fertilizer firms began shipping their supplies abroad.

There were some complaints, but it wasn't until September, 1973—after the industry, through its trade association, the Fertilizer Institute, officially asked for exemption—that the Cost of Living Council began seriously considering the removal of controls on U. S. fertilizer prices. Removing the price ceilings, of course, would allow U. S. buyers to bid for the scarce supplies on an equal footing with foreign purchasers.

The time lag was no surprise. Bureaucracies habitually react to problems, rather than anticipating them. Institutional sluggishness. You could blame it on stupidity, or ignorance, but, in the case of government bureaucracies, there was a more fundamental reason: a problem has to exist before it can be solved. You couldn't take the price ceilings off fertilizer to avoid the problem. People would accuse the controllers of sabotaging their own program without any good reason. You had to wait for the reason to develop. You had to wait for the fertilizer to be exported.

Even after the industry's appeal, the Cost of Living Council hesitated. Part of the problem was ignorance: the inevitable absence of the answers to today's questions today. A lot of fertilizer was already tied up in long-term export contracts, but the Council didn't know how much. The prospect was troubling. Prices might rise without producing much additional supply for U. S. farmers. There was another problem. Exempting the fertilizer industry would inevitably stimulate exemption requests from other industries. Not all these could be cavalierly ignored. The explosives industry complained that if it weren't exempted, it wouldn't be able to compete with fertilizer manufacturers for ammonia nitrate, which is used in the manufacturing of both fertilizer and explosives. Then there would be a shortage of explosives for coal mines, which would eventually lead to a scarcity of coal. The world was complicated. Ultimately the Council exempted both the fertilizer and the explosives industries.

But fertilizer was no freak breakdown of controls. Copper and scrap steel supplies also had flowed abroad because domestic prices were held artificially low. Lumber had been withheld from the market. A shortage of tomato paste had developed, in part because the price had been held too low and encouraged a depletion of stock. The experiment with direct food controls had failed conspicuously. Farmers, faced with rising feed costs—which hadn't been controlled—smothered baby chicks and sent their breeder chickens off to slaughter; hog farmers, confronting the same cost-price squeeze, limited expansion of output.

There were dozens of stories in dozens of industries about how controls had misfired. One newspaper executive claimed, for example, that controls had aggravated the newsprint shortage: you held down advertising rates and people advertised more; the more they advertised, the more paper you needed.

But the stories were prone to exaggeration. Consider fertilizer. Controls or no controls, there would have been a shortage. Demand had risen spectacularly because the government had freed nearly 60 million acres of land for production. The industry hadn't expanded in the last few years,

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because it was just emerging from the economic slump in the late sixties. All that could be said was that the controls had made a bad situation worse. If controls hadn't been lifted, more fertilizer would have been sold abroad. It was a frustratingly ambiguous conclusion. Maybe plastics would yield a more dramatic moral.

You may or may not think that plastics are good or essential for society, but, whatever else you say about the plastics industry, it's competitive: there are from 4,000 to 8,000 plastics firms turning out everything from plastic bags to casings for ballpoint pens, to toy soldiers, to food containers. Most of the companies are relatively small, with fewer than 200 workers and annual revenues ranging from $500,000 to $20 million.

Competition is supposed to be a good thing. In fact, there are a lot of people who think that the only sure way of curing inflation is to create more competition: competition keeps prices down, but when concentrated industries are freed from the checks of competition, they can raise their prices at will. Unfortunately, the experience of the plastics industry suggests that controls may sometimes stifle, not stimulate, competition.

The same thing that happened in fertilizer happened in plastics. World prices of petrochemicals (the essential raw ingredient for plastics processing) soared above domestic prices, tempting major petrochemical manufacturers (about 25 giants, including DuPont, Dow Chemical, and Exxon Chemical, supply about half the country's plastic resins) to export their product. The incentives to do so were powerful. To give but one example: the domestic price of polystyrene was effectively frozen at 18 cents per pound, while the world price was more than three times as high.

While the diversion of fertilizer supplies overseas undoubtedly hurt U. S. food production, the escape of petrochemcials abroad had more curious consequences.

First, business success—indeed survival—became a matter of who you knew, not how well you ran your business. Because the petrochemical companies were still selling considerable amounts of supplies in the U. S., you could stay in production if you knew the petrochemical company's marketing vice president better than your competitor did.

Second, competition in the plastics industry became more political and less economic. Many of the small independent companies soon realized that their problems lay in Washington: if they could ease the Phase IV rules, allowing domestic prices to rise to world levels, then some of the chemicals would stay in the U. S., and American firms could bid for supplies. So, the small plastic companies formed a Washington-based trade association, gave it a name (The Organization for Plastic Processors—TOPP), hired a Washington executive director, engaged a lawyer who had formerly worked in one of the control agencies, and started making the rounds to the Cost of Living Council, the Federal Energy Office, and Capitol Hill to plead their cause.

Finally, people tried to get around the price ceilings. The result was "black markets," "distortions," or whatever label you want to attach to intricate, suspicious transactions designed to beat the government rules. There have always been numerous "brokers" in the petrochemical business, buying large supplies of petrochemicals from major firms and reselling to smaller plastics processors. "Suddenly, there were a lot more brokers," says John English, executive director of TOPP.

Consider this situation: a marketing vice president of a large petrochemical firm has a huge supply to sell. He must sell the chemicals at prices fixed by government ceilings. At the free market (world) price, the same stock might be worth three or four times as much. What does he do? The possibilities aren't hard to imagine. Sell to a broker friend and

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split the profit? (Under Phase IV rules, the broker could probably sell at a free price, because, being a "small businessman," he would have been exempted from price rules.) Take a kickback from a grateful buyer, desperate for petrochemicals to keep his plant running? Act honestly?

The plastics industry was awash with stories of slick deals, says English. What is certain is that a lot of petrochemicals weren't being sold in the open market. Or, as one trade publication put it: "A black market is thriving. Brokers are waving their greenbacks."

All this, of course, undermined competition. The artificiality of prices created enormous gaps between firms. If company A bought its petrochemicals at the fixed price, but company B bought its supply at a free price, three or four times as high, it wasn't hard to figure out which firm would prosper.

But again, I ran into maddening ambiguity. Given the oil shortage, there would have been a scarcity of petrochemicals anyway. Some of the big plastics companies had a natural advantage over the smaller firms because they made their own petrochemicals. Eventually, the Cost of Living Council partially decontrolled petrochemical prices. No one knew quite how many small plastics firms had been forced out of business, whether they had been forced out permanently, or whether they might have gone bust under any circumstances.

Everything was proving unwholesomely complicated. I left for the Fed in search of simplicity.

The Federal Reserve building is a white-marbled temple on Constitution Avenue that's rarely visited by anyone who doesn't work there. Inside the building is Arthur Burns, chairman of the Federal Reserve Board and also chairman of the Committee on Interest and Dividends. The CID, as it was called, maintained a "voluntary" system of controls over interest rates and dividends. These items hadn't been included in the coverage of the original Economic Stabilization Act, but, to give the appearance of being even-handed with business and labor, the Administration believed it couldn't ignore them. Hence the CID.

The incident which interested me occurred in early 1973. At that time, major commercial banks began to raise their so-called "prime rate"—the rate of interest they charge to their very best business customers (less trustworthy borrowers usually received loans at a fixed level above prime which rose and fell with fluctuations in the prime). Over the years the prime rate had become a media superstar, attracting enormous attention—well beyond its real importance—any time it changed. Its upward movements in early 1973 drew the customary page one stories. All this upset Burns. He decided to stop—or at least slow—the rise of the prime.

As chairman of the CID, he fired off telegrams to big banks, demanding that they justify the higher rates and declaring that the increases threatened the Administration's anti-inflation program. The banks grew cautious. Rates were pushed ahead, then rolled back. The cycle repeated itself. Bankers are loathe to quarrel too openly with Burns. Not because Burns was head of the CID, but because he is chairman of the Fed. The Fed is keeper of the nation's credit supply. It's the banker's Vatican, and Burns is the Pope.

It was an intriguing picture: Arthur Burns holding the big, greedy banks in line, battling to keep inflation under control, and protecting the interests of the common man. That's the picture the press painted. It is, almost certainly, the picture that Burns sought to project. But it is not, alas, what happened.

Burns' primary motivation in standing up to the banks was not so much to hold interest rates down as to head off legislation that might place interest rates under *mandatory* controls. At the same time that Burns was arm wrestling with the banks, Con-

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gress was considering extension of the Economic Stabilization Act, which finally expired last April. Worried about rising prices and climbing interest rates, congressmen—particularly Rep. Wright Patman, the formidable chairman of the House Banking and Currency Committee—were agitating to require Burns (or someone) to regulate all rates. Burns apparently thought this impossible to do, disastrous to try. The confrontation with the banks was designed to undercut that campaign by demonstrating that Burns was already fighting to hold down the key rates.

III.

It didn't take much research to turn up a few more examples of politics getting in the way of economics. The classic case, of course, was the freeze on food prices in March and June of 1973. It was, at best, a gamble: a gamble that food prices had already reached their natural peak; a ceiling on prices, therefore, wouldn't interfere with the complicated food markets, but would be an invaluable public relations gesture for the Administration.

The gamble backfired. Both producers and consumers were unhappy. Why had the President done it? You could select your reason from a gallery of possibilities: to keep people's minds off Watergate? to restore "credibility" in his economic program? to help persuade major unions to be "moderate" in wage demands by being "tough" on prices.

But this might be an exception due to an unusual political situation. The more widespread pressures were of a subtler variety. Consider rents. Not many economists believed rents could be effectively controlled on a nationwide basis. Housing conditions varied too greatly from city to city. Anyway, housing was generally very competitive; there were lots of landlords and lots of builders. If land costs rose, if labor costs rose, and if local taxes rose, it followed that rents would have to rise. To try to hold them back would, in the long run, probably be self-defeating; landlords would cut back on service and maintenance, and, ultimately, new construction might decline.

But rent is a highly visible and emotional symbol of inflation. So, in Phase II, the Price Commission tried to control rents. It was not a very

satisfactory experience. The rules were monstrously complicated. "Lawyers in the Price Commission and the Internal Revenue Service found them difficult to write," C. Jackson Grayson, chairman of the Price Commission, would recall later. "We found them difficult to explain, and the general public couldn't understand them. . . . We tried revision after revision to clarify and simplify, and each time we seemed to generate more confusion." Rent was only five per cent of the Consumer Price Index, but explaining and enforcing the rent rules took 50 per cent of the IRS's time.

And what about Burns' dance with the prime rate? Was that simply a harmless exercise in politics and public relations? Well, maybe not. It did succeed in neutralizing pressure for mandatory interest rate controls,

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but its economic consequences may have been less benign.

While Burns was busy sitting on the prime rate, big businesses were stumbling all over each other to take out new bank loans. They knew that the cost of money—that is, the interest rate—would be higher later, so why not take advantage of a bargain while it lasted. In the first half of 1973, business loans at commercial banks rose at an astounding annual rate of about 30 per cent.

The explosion of loans occurred precisely when economists recognized that the U. S. economy was in the midst of a demand boom and was desperately in need of some restraint. Burns realized this. The Fed was attempting to tighten credit, which normally would raise interest rates, choke off some borrowing, and help slow down the economy. As chairman of the CID and the Fed, Burns was moving in opposite directions simultaneously.

How much damage did it do? No one will ever really know. Much of the business borrowing would probably have occurred anyway. Some wouldn't have. But, at best, Burns was fighting inflation with press releases. At worst, he was pouring the proverbial oil onto the fire.

IV.

"Horror stories" are the journalist's stock in trade. You dig up the unattractive details, expose them to the light of day, and then use them as a trampoline to jump to Sweeping Generalizations. Of course, the stories might or might not prove the generalizations, but they usually make your point with the reader.

Before reverting to that, though, I decided to reinterrogate my Source.

His door was open. His swivel chair, with him in it, faced the window. He was engrossed in what he was doing, which was playing wadball. The wads came from a computer print-out sitting open on his desk. Every 20 seconds or so, he ripped off the top page, methodically crumpled it up, and arched it toward a metallic wastebasket 30 feet away. He was an awesome talent. I watched him sink 10 straight before interrupting.

He seemed surprised to see me. The puzzlement on his face told the story: he'd figured that any one of the items he'd given me would poison my curiosity; the triple dose of arsenic was guaranteed to do the job.

I told him what I had found and asked him what it proved.

Well, Lesson Number One was about political reality and economic reality. Politics demanded instant and simple solutions. Prices were going up. Stop them. Damn the torpedos, full speed ahead. Economic reality didn't work quite that way. There were choices—unpleasant choices—to be made. It was like chocolate: you could eat a lot of chocolate, but you might get cavities. Years later, of course. Wage-price controllers were constantly being tugged between the two realities, but, with their eyes glued to the monthly price indexes, they were always tempted to do anything that might give them instant success, minimizing the possible ill aftereffects—which might take years to surface.

Remember fertilizer. The fertilizer industry had argued that it needed higher prices to help build new factories, but the controllers hadn't been too impressed with that argument. After all, it took three years to build a new fertilizer plant.

Economists deluded themselves if they thought they could skillfully manipulate the controls to avoid all the pitfalls. You couldn't turn the controls on and off like a light switch. If the controls were perceived to be succeeding—that is, if inflation was low—the pressures would be to keep them. But if inflation picked up, people naturally would think they needed more, not fewer, controls. Total failure was the only way out: then and only then would enough people be alienated to insure that they wouldn't try controls again.

There was still an annoying detail

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in the back of my mind. What about World War II? Controls had worked then, and they'd worked longer than they'd even been tried now. They worked until the moment they were taken apart by the Republican Congress. Why couldn't they work again?

He went back to his wadball. "Maybe they would work if this were World War II. But it isn't. During the war no one cared if the world price of fertilizer was rising. Or if soybeans would bring a higher price in Japan. We weren't selling to Japan. In fact, none of our manufacturers were selling on the world market, or at least they weren't selling unless the government wanted them to. They were selling at home, and at home the price could be controlled. Think back on your illustrations—fertilizer, plastics, lumber. The controls fell apart because of the world market. Sure, there is a simple solution: just throw on an export ban. But we've learned a little lesson from King Faisal lately. Everybody loses at that game. The Japanese were just as angry at us when we cut off their soybean exports last year as we are at the Arabs. The Arabs can play the game to win, because they have enough of the world's oil to set the rules. We can't play the game that way. There are some things, like oil and a lot of other minerals, we have to import. To pay for them we have to keep exporting. The days of Fortress America are over.

"There's something else. Human nature. People are capable of sacrifice, but you have to give them a reason. Remember, World War II was no bed of roses. You couldn't buy new cars or tires. Gasoline was rationed. A lot of consumer goods were short. But people were generally willing to accept these things. It was war spirit. You had a national consensus you won't find now. And because there was a general scarcity of goods, families were forced to save more of their money." He pulled a book out of his desk, one I hadn't seen before. It was called *Longterm Economic Growth, 1860-1970*, published by the Census Bureau. It showed that between 1940 and 1944, consumer savings increased ten-fold, from $3.8 billion to $37.3 billion. And back in 1944, a billion dollars meant a lot more than it does today. The GNP was only one-seventh the size it is now.

This lecture left me unimpressed. Okay, so there were a lot of problems. There were risks. There would be mistakes. But what program didn't have risks? Everybody makes a mistake now and then. If controls had a good chance of succeeding, the risks might be worth taking.

He reached into his desk drawer and pulled out another thick, soft-covered, brown book. Contemptuously, he handed it to me. I had seen this one before. In the control subculture, it was a best-seller. It was *Statement of John T. Dunlop, Director, Cost of Living Council, Before the Subcommittee of Production and Stabilization of the Senate Committee on Banking, Housing and Urban Affairs, Feb. 6, 1974.*

"Page 24," he said.

Page 24 reminded me that the Cost of Living Council had commissioned a number of reputable economists to try to figure out the overall impact of controls on prices. The economists fed the statistics into their computers, ran the numbers forward and backward, subjecting them to all sorts of generally incomprehensible, but respectable, forms of analysis. The results were mixed. One analysis concluded that controls had had no impact at all. Another estimated that without controls prices would be one per cent higher than they are. The final analysis said that controls had generally kept non-food prices down 2.3 per cent.

Dunlop summarized anticlimactically:

> This hearing is not the place to appraise such econometric studies, but it is important to report the range of effects of controls on wages and prices estimated by these professional simulations. Most citizens, in my view, are likely to be surprised at the small impact estimated for controls, since Aug. 1971.

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"So we got a two-percent reduction in the cost of living, at best, for the controls, and we got a lot of trouble in a lot of industries. Maybe we're lucky, though, because we avoided the biggest risk. A political smash-up, caused by a confrontation between big labor and government. Something like what happened in Britain. People forget that wage-price controls are fundamentally aimed at labor, not business. The price controls are added to make wage controls politically palatable and give the impression of impartiality. If people keep thinking that controls failed only because of Nixon, then we'll throw them on again and maybe next time we'll have ourselves a national economic show-down like the one in England.

"In effect, the government bargains with big unions. The record of government in bargaining situations isn't too good. There's a lot of press coverage. Issues get publicized, and positions get polarized. We've had enough bitter municipal strikes to prove that. There are a lot of unions that can tie this country up pretty quickly: the Teamsters, the railroad unions, the coal miners. Longshoremen and steelworkers and autoworkers can make things pretty messy, too. Controls are a natural target for strike or protest. Look what the independent truckers did to the oil allocations, and they were weak and unorganized. I don't like the idea of a really powerful union trying the same trick."

There was something else to remember, too, my Source said. Controls didn't operate in a vacuum. Everyone agreed that, temporarily, controls could arbitrarily keep prices down. You just ordered them to stay down. But then the government, lulled into thinking that inflation had abated, would be tempted to pump up the economy excessively, creating the very inflationary pressures that would destroy the controls and murder the price indexes.

The potential for political abuse is enormous. "If you want to be totally cynical about it, imagine the following scenario. It's 18 months before a national election. Unemployment is high. Inflation is unacceptable. The party in power, though it's skeptical about the lasting value of controls, puts controls on the economy. By the next summer, things are looking fine. Unemployment has come down. Prices have been artificially restrained. The party wins big, but, after the elections, the problems of the controls become increasingly apparent. Prices soar." Of course, that's precisely what had happened in 1972.

The lesson in all of this, he said, is simple: controls involve large risks, but promise small rewards. Even before 1973, as the econometric studies tended to show, controls hadn't been the dominant influence on the rate of inflation.

He was getting bored. He went back to his play and put six wads into the can. You couldn't begrudge him the pleasure. This was his last day. He had a foundation grant for 18 months to write a book about controls. If nothing else, the control program would produce a small book explosion. One had already appeared, and I knew of three others in the works—one by Marvin Kosters, the Cost of Living Council's head of policy planning; one by ex-Price Commission Czar Grayson; and another by Arnold Weber, a former member of the Pay Board. It is hard to believe that John T. Dunlop, once he returned to Harvard, wouldn't add another volume to the shelf.

But what good would all the books be? Controls were being dismantled. Did he expect to see them back?

"Oh, sure. People prefer a bad solution to no solution at all. It gives them hope. It's the American obsession with 'getting on with the job.' We like to think we're moving, even if it's in the wrong direction."

The future, then, looks comfortably chaotic. I could live with that. In my business, the best news is bad news. ■

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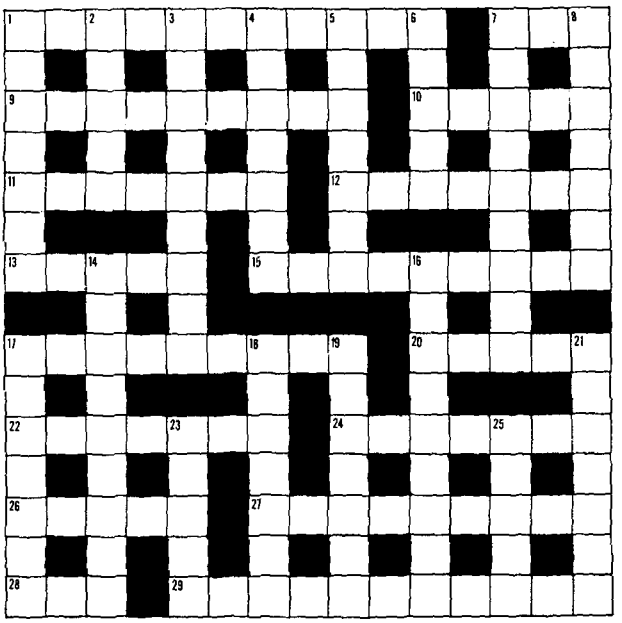
the political puzzle

by John Barclay



Across

1. Principal ways and means to lull rib swim pains. (6, 5)
7. Sounds like short New England pronoun. (3)
9. Rents site for particular groups. (9)
10. We live in doctor of laws' back room. (5)
11. Deep lox will rise suddenly. (7)
12. It has always lain aft. (7)
13. From ESP, it becomes malice. (5)
15. Lowly doge is object of contempt. (6, 3)
17. Is sexes' vice too much? (9)
20. Mountain area in which twenty roller coasters are found. (5)
22. Used pep to accelerate. (5, 2)
24. Chooses to pass on in addendum. (7)
26. Has come up to take reins. (5)
27. Call to mind a bean grill. (4, 1, 4)
28. Help pesos in the end. (3)
29. You could not like Senator more, nor gull less. (7, 4)

Down

1. Ghost and type. (7)
2. Rent higher to ease off? (3, 2)
3. They dig out roué sport. (9)
4. Not cleared up by wise terms. (7)
5. True and false, Lulu's after a man. (7)
6. United States and African nation. (5)
7. Tax chief makes Dean relax. (9)
8. Eulogy 50 makes Christmas warm. (4, 3)
14. Tax hikes can be just as sincere. (9)
16. Place to keep your eye for best results. (2, 3, 4)
17. Sees run, guarantees streaking. (7)
18. Tells it like it is. Tramp is upset. (7)
19. Subject to deduction? (7)
21. Tells Attorney General to take final lap. (4, 3)
23. Rondo for a benefactor. (5)
25. Re: one January in Madrid. (5)

The numbers indicate the number of letters and words, e.g., (2,3) means a two-letter word followed by a three-letter word. Groups of letters, e.g., USA, are treated as one word. Answers to last month's puzzle are on page 14.

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...Where Price Controls Are Still Needed

by Morton Mintz

For a year now, in messages to Congress and in press conferences, President Nixon has been urging de-regulation of natural gas. Lifting price controls at the wellhead, he contends, is essential not only to the achievement of national "self-sufficiency" in energy by 1980, but also to managing "the problem of prices and profits," as he phrased it at his news conference on February 26. "And that means the de-regulation of natural gas so that it is competitive, as far as price is concerned." for the approximately 40 million consumers who use natural gas for heating, cooking, and other residential needs, the de-regulation issue is enormously important. A penny increase in the price of 1,000 cubic feet of natural gas at the wellhead costs consumers $230 million annually, and many of the raises that are being discussed are in the 15- to 30-cent range.

Why the rise now? As I understand President Nixon, it has to do with the rising price of another commodity, petroleum. What he really seems to be saying is that the price of natural gas, most of which is produced from public lands, should be governed not by the costs of production, but by the price of the oil, which, is in turn set by sheiks in the Persian Gulf. How letting the price of natural gas play leap-frog with the price of oil will solve "the problem of prices and profits," especially profits, the President has not explained or, at this writing, been asked to explain. Neither has he said (nor been asked) at what point profits become excessive. Finally, even though the "energy crisis" atmosphere is the psychological fuel for de-control, and although one of the major arguments in favor of de-regulation is that it would encourage production of more natural gas, he had neither said nor been asked how he would assure that windfall profits would be plowed back into development of new supplies.

The President's arguments for de-regulation, for all practical purposes, are indistinguishable from those of the oil and gas industry, which contributed an estimated $5 million to his 1972 reelection campaign, and of the "oil and gas gang" (the legislators inclined to the industry's view of things) on Capitol Hill. The Federal Power Commission (FPC), whose five members all were appointed by President Nixon, is also urging Congress to de-regulate. *The Washington Post*, too,

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has cited editorially the need for more natural gas as the reason for supporting de-regulation. It got so that for months one could hardly visit a hearing on Capitol Hill without having to listen to some industry spokesman say, with almost palpable satisfaction, "Even *The Washington Post* . . ." Most significantly of all, the FPC has been doing its best to de-regulate the industry through the back door, with a series of decisions allowing price increases in "special" cases.

The Exceptional Case

The basic question about natural gas is which system—the free market or government regulation—will best serve the two ends of providing an adequate *supply* of natural gas, and doing so at the lowest reasonable *price*. The last three years' experience with generalized price controls shows that there are severe drawbacks to regulation: when the price is held too low, supply may dry up. (See accompanying article by Robert Samuelson.) But natural gas may necessarily be an exception to this rule, for two reasons. First, decades of low prices have now created a virtually captive market for natural gas. If beef prices rise too high you can switch to chicken or cheese, but if your home is equipped with natural gas you're not likely to switch to electricity. Second, the industry is so uncompetitive that removing government controls might simply raise the prices without producing any of the supposed benefits of the free market.

Of course, the supporters of de-regulation all insist that the industry is competitive. One of their arguments is that other industries are more concentrated. This is true—on a national basis. Not even Exxon, for example, has as big a share of the petroleum market as General Motors has of the automobile market. But what counts here is not the national market, but (as the Supreme Court has ruled in many antitrust cases) the *relevant* market. The national market is irrelevant for a pipeline originating, say, in a field in offshore Louisiana (one of the most important producing areas). It makes little difference that there are thousands of producers elsewhere if there are only two that the Louisiana pipeline owners can deal with.

Even the national market is less wide open and competitive than it seems. Although there are 3,218 corporations that produce natural gas,* the fact remains that a dozen companies control 90 per cent of production. The leader is Exxon, which is also the world's largest oil company. The next nine are also oil companies: Shell, Standard Oil of Indiana, Gulf, Phillips, Mobil, Texaco, Union, Atlantic Richfield (ARCO), and Continental. This concentration has prompted the Federal Trade Commission (FTC) to file an anti-monopoly complaint against eight of the ten (all but Phillips and Continental), claiming that "in virtually every facet of their operation, they have common rather than competitive interests." The FTC staff, said that the companies' many joint ventures make each of them the "confidant" of the others and create "a solid community of interest. . . . which fosters cooperation rather than competition." Moreover, the bureau said, the eight companies are to some extent "commonly rather than independently owned." The staff pointed out that Chase Manhattan Bank, through various nominees, is at once the largest shareholder in ARCO and the second largest in Mobil. "Clearly, it is not in Chase Manhattan's interest to promote vigorous competition between them," the statement said.

It is the array of interlocks—through joint bidding for government oil and gas tracts offshore, through joint foreign ventures, through joint ownership of pipelines, through financial institutions, through seats on the boards of supposedly competitive companies—that increases the impor-

*Among 10,000 producers of gas *and* oil. But only 20 years ago there were 40,000.

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tance of the industry's concentration ratios. Economists generally consider that when the eight largest firms in an industry have 50 per cent of total sales, normal market forces no longer suffice to guarantee the market against monopolistic power. Among producers of natural gas, eight control 68 per cent of current uncommitted reserves—that is, reserves still available for sale. In the federally owned domain off the Louisiana coast, the eight firms control 75 per cent; in the state-owned offshore domain in Louisiana, and in offshore federal and state lands in the Texas Gulf Coast, the eight control 100 per cent. Of the known reserves in Southern Louisiana *four* firms hold 96.9 per cent. To make matters worse, the buyers—the pipeline companies—are not independent of the producers. Indeed, says David S. Schwartz, assistant chief of the FPC's Office of Economics, "All major pipeline purchasers have producing affiliates."

It was, in fact, the very lack of competition that brought the government into the business of regulating natural gas in the first place, with the Natural Gas Act of 1938, which directed the FPC to regulate the price of natural gas sold in interstate commerce. But until 1954, when the Supreme Court ordered it to do otherwise, the agency sought—or pretended—to carry out its mandate by regulating only the prices charged by pipelines for carrying gas from the wellhead to the market. After the court order, the FPC began to regulate the price at which the gas itself was sold when it left the ground to enter the pipeline. But because the prices were set on a company-by-company basis for each of the thousands of companies, regulation was an administrative disaster.

Nonetheless, this system did keep prices low. So low, in fact, that gas producers, distributors, and their trade organization, the American Gas Association (AGA), were able to induce consumers by the millions to

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switch from coal and oil to cheap, clean-burning gas. Today, it is used in approximately 40 million homes, and at least three million business establishments. Having locked these customers in, the AGA (which 20 years ago opposed de-regulation) now wants to charge as much as the traffic will bear.

The FPC introduced its third system of regulation in 1960, when it adopted a system of setting ceiling prices for each geographical area rather than for each company. Then, for almost a decade, the public interest actually had some representation on the FPC. At a point when Kennedy and Johnson appointees meant that only two of the five commissioners were agents of the oil and gas industry, for example, the commission ordered the El Paso Natural Gas Company to refund $155 million to consumers in Southern California who had been overcharged. (The refund was, however, $65 million less than the FPC staff members recommended.)

During the 1968 presidential campaign, Richard Nixon promised to end the "heavy-handed bureaucratic regulatory schemes" of the Johnson Administration. To head the FPC, he picked John Nassikas, son of a Greek immigrant who had become a wealthy businessman in Manchester, New Hampshire. A Harvard Law School graduate, Nassikas spent a couple of years representing the State of New Hampshire opposing utilities and railroads, but, then switched to a career representing these interests. A seeming True Believer in a 19th-century vision of "free private enterprise" that is totally detached from the 20th-century reality of giant interlocking international oil companies, he said within a few days of taking office that the price of gas should be raised so as to mitigate or prevent shortages. His performance was such that even *Forbes*, which once based an advertising campaign on the slogan "Forbes: Capitalist Tool," said, "It's hard to see how the troubled natural gas industry could have a regulator more to its taste.... [He] sometimes sounds more like a natural gas executive expounding about how the FPC should regulate his industry than a man burdened with the actual responsibility of regulation."

To raise the price of natural gas, Nassikas got help from the other Nixon appointees, currently:

Albert B. Brooke, Jr. For 10 years he was an aide to Senator Thruston B. Morton, who on leaving the Senate became a director of a pipeline regulated by the agency, Texas Gas Transmission. Brooke's sponsor for the FPC, however, was the late Senate Minority Leader, Everett M. Dirksen, a man of many ties to the oil and gas industry. President Johnson, who did a lot of favors for Dirksen, did him—but not the country—another by naming Brooke to fill a vacancy. Nixon didn't delay in reappointing him in 1969 to fill a full seven-year term. Brooke takes his cues from:

Rush Moody, Jr. In 1963 he became a partner in a Midland, Texas, law firm. One of his personal clients in a 1966 state court case was Mallard Exploration, a gas producer whose name will assume great importance as this story goes on. Although Moody pledged on being confirmed in 1971 that he would disqualify himself in "any matter that was participated in by your former associates," he has not only participated in but actually led commission decisions on cases which apparently involve his former partners. On February 1, for example, he led the majority to approve a sale of new natural gas from an Alabama field at the highest price in FPC history. The seller, as it turns out, is a joint venture led by Mallard and Exxon, which the law firm had represented during Moody's tenure. Moody's old firm had also represented Texaco, one of the beneficiaries of the previous record price, which had been approved on May 30 by a majority again led by Moody. He insists there is no conflict of interest in this so-called "Mallard case."

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William L. Springer. He was a congressman from Illinois for 22 years and became the senior Republican on the House Commerce Committee. There, he demonstrated an orientation toward industry—most any industry. But in his first big case on the FPC, he blew the whistle loud and strong against the Mallard decision. In a dissent which Nassikas joined, he denounced the decision as "a travesty of regulatory justice," and charged the majority, led by Moody, with having "capitulated to the prescription of an industry-established price. . . rather than prescribing a just and reasonable rate by regulatory review."

This astonishingly tough language was incited mainly by two points that Springer and Nassikas found offensive. First, the majority had acted the day after Southern Natural Gas, the pipeline seeking to buy gas from the Mallard-Exxon venture, had sent each commissioner a telegram—later termed a "threat" by Sen. Pastore—asking for action "either today or tomorrow." Second, there had been some funny business with the figures. The FPC staff had calculated, using the normal standard for productivity of the gas field, that a ceiling price of 35 cents per 1,000 cubic feet would yield a "just and reasonable" return of 15 per cent. Nassikas and Springer, disagreeing somewhat, recommended that the price be 41 cents to produce a 15-percent return. But the majority approved a 55-cent price, the company's requested figure, which was twice as high as most gas in the region was bringing. Of course, the company was only allowed to earn a 15 per cent return, so the majority simply juggled the figures to make them come out right.

Don S. Smith, the newest commissioner, provided the swing vote in the Mallard case. President Nixon's first choice for the seat held by Smith was Robert H. Morris, who had represented Standard Oil of California for 15 years, seven of them on natural gas matters. Morris was defeated not only by Senate consumer forces but also by the oil and gas gang. When, after a long delay, the hearings on the nomination began, the industry's friends in the Senate asked whether Morris was committed to de-regulation. It turned out he wasn't, so some of them joined the consumer forces to defeat Morris, 49 to 44—the first rejection of a nominee to a regulatory commission since 1927. But the battle had been exhausting, and there wasn't much hope of defeating the next nominee President Nixon would send up. And so there was a sense of relief when the President nominated Don Smith, who had acquired a pro-consumer reputation in Arkansas as a member of the State Public Utility Commission. But his swing vote in the Mallard case brought disillusionment instead of relief.

Simple But Illegal

The Mallard case, one of several in which the FPC has approved industry requests for steadily higher prices, illustrates the trend that has greatly disturbed consumer forces in the energy field—the commission's de facto retreat from price regulation. Before 1972, the FPC could not have approved a price increase like Mallard's. In that year, and under Nassikas' leadership, the commission adopted a technique making it possible to abolish cost-based regulation without legislation. The method, called optional pricing, is simple, if probably illegal*: Let a producer and a pipeline negotiate whatever price they please for "new" gas (that is, gas from a well just beginning production), without regard to the area ceiling price. This new price will then prevail unless the FPC disapproves it. The optional pricing system can lead to some dramatic increases—for example, in one Southern Louisiana case a rise of 73 per cent in a short time (from a 26-cent ceiling price in 1971 to 45 cents soon afterward). On

*Rep. John E. Moss of California and 21 other congressmen have challenged the technique in the U. S. Court of Appeals.

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May 30, 1973, the commission approved this increase. Moody and Brooke voted for it, Nassikas against (Springer and Smith were not yet members).

In addition to optional pricing, the FPC has concocted numerous other devices to erode cost-based regulation. These range from short-term de-regulation of brief (60- or 180-day) "emergency" sales (some of which were made at 75 cents) to subtle and complicated financial arrangements for shifting the burden of interest payments for pipeline projects.

Although the 45-cent price approved last May and the 55-cent price approved this February technically apply only to their particular contracts, they are forerunners of billions of dollars in annual increased costs to consumers everywhere. Suppose there is across-the-board de-regulation, and that one makes the entirely plausible assumption that the companies can make the current average price at the wellhead, 24 cents, quadruple? The additional cost to consumers, estimated by David Schwartz, the FPC economist, would be $18 billion annually. If the price approximately tripled to 80 cents ("Anything less. . . will be insufficient," Continental Oil told the FPC last summer), the cost to consumers would be $13.5 billion.

An Unnatural Occurrence

Regrettably, the Mallard decision and other devices for de-regulation in the guise of regulation are by no means the end of the matter. As President Nixon keeps indicating, the real offensive in favor of de-regulation has just begun. The public has been impressed with the hazards of scarce fuel supplies; now the de-regulation lobby need only blame "low" prices set by the FPC for shortages of natural gas. Oil prices are rising, and since gas is in some cases a substitute for petroleum, the gas producers feel that their prices should rise, too. Since the oil and gas industries are by and large one and the same (and, what's more, have been taking increasingly significant control of other key alternative fuels), this argument puts the energy companies in a dominant position. They can raise the price of gas by raising the price of oil (or having it raised by the sheiks), and they can raise the price of oil by raising the price of gas.

Another argument for de-regulation, a favorite of legislators, including Senators Marlow Cook and Russell B. Long, is that the price of gas is not regulated when the gas is produced and sold within one state. Therefore it commands higher prices, causing diversion of supplies that would otherwise be sold interstate. The difficulty with using higher intrastate prices as a guideline is that many big producers (including Pennzoil and Standard Oil of Indiana) can simultaneously sell at high prices within one state and buy at the regulated interstate rates. Consequently they are in a position to whipsaw prices upward in the national market. That was what ARCO was trying to do last year when it filed an "emergency" application with the FPC to sell gas across state lines at 50 cents, or more than twice the prevailing area ceiling price of 24 cents. The commission approved the 50-cent price in October on the basis of evidence that two buyers within the state were willing to pay that much or more. President Nixon has cited intrastate competition as an argument for de-regulation, but surely it makes sense to turn the argument around—to say it makes sense to bring intrastate prices under control, so they can't be manipulated to force up national prices. Here's the clincher: most new gas can be sold *only* in interstate commerce because it comes from federally owned lands.

These federally owned fields are valued primarily for their oil, but gas is usually present, too. Development of one fuel therefore proceeds in conjunction with development of the other. Bid sales for leases on the federal tracts are already going full

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blast, as are exploratory drilling and development, hindered only by shortages of equipment and personnel which cannot be quickly overcome. Still higher prices cannot speed the process up or bring in much new gas. Even if there were a case for de-regulating this "new" gas, there is no reason for believing that higher prices for "old" gas—gas already discovered and flowing—would induce new discoveries. But all indications are that the Administration wants to lift the restrictions from "old" gas, too. Lee White, head of the Consumer Federation's Energy Policy Task Force and a former FPC chairman, has said that the bill President Nixon has sent to Congress is so worded that within a short time, possibly a year, contracts would be renegotiated to de-regulate "old" gas, too.

In the five years 1968 through 1972, discoveries of new gas declined. In addition, commitments of new gas to the interstate market fell almost 50 per cent. During the same period, the FPC, pursuing de facto regulation by erosion, almost doubled area price ceilings and granted price increases of about $2 billion. A rising price is supposedly the best incentive for exploration, so why did discoveries and commitments decline?

It was because the FPC kept signaling that, despite these increases, prices would be still higher in the future. No reasonable company would rush to find and sell gas at today's price if it knew that a little patience would reward it with greater profits tomorrow. And if a side effect of this hesitation was to create the impression of an overall shortage, so much the better.

The shortages that higher prices are supposed to overcome were discovered by producers after their requests for a rate increase in 1968 had been turned down by the FPC and then the Supreme Court. Previously, industry records had indicated no serious problems, according to Charles F. Wheatley, Jr., of the American Public Gas Association, an organization of publicly owned gas utilities. In 1969, John Nassikas signaled that prices should be higher, meaning they would be. Understandably, he provided an incentive among producers to hold back supplies, because profits might well be higher over an extended period than if the supplies were marketed. In April, 1973, in his first energy message, President Nixon proposed de-regulation and of course sharply increased the expectation of higher prices.

Ironically, even if prices do rise, there is no guarantee that they'll lead to greater efforts at exploration and development. Last summer, Rep. Torbert H. Macdonald, chairman of the House Commerce subcommittee which has oversight responsibility for the FPC, asked a group of oil executives "one simple question: Would you put the windfall profits you will obviously make from higher gas prices into exploration for new gas. . . ? And their answer simply amazed me: It was a unanimous No. Their first duty was to their stockholders, they said."

Prices aside, is the shortage of natural gas reserves natural? Or is it something the industry had to have, one way or another, because without it there would be no case for de-regulation and consequent lush profits?

In a series of columns based on leaked documents, Jack Anderson told this story:

February 19, 1970: The FPC's chief economist, Haskell Wald, reported that gas producers in Southern Louisiana who were seeking a $4-billion rate increase—through a raise in the ceiling price to 26 cents—had underestimated reserves by 1.3 trillion cubic feet. He made the report to FPC General Counsel R. Gordon Gooch. September 15, 1970: Nassikas, in a letter to Senator Hart, not only claimed the industry and FPC reserve estimates to be "closely parallel," but also said that this assertion was supported by staff reports and investigations. December 1, 1970: Wald told Gooch of errors of up to 40 per cent in the industry estimate, which was 24

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trillion cubic feet. December 9, 1970: Just as if the estimate had not been challenged at all, Nassikas and Gooch cited it at a hearing held by Senator Lee Metcalf. November, 1971: Nassikas again cited the industry estimate, in a letter to Senator Frank E. Moss.

In March, 1974, there was a sequel: the FPC staff reported that the industry has seriously under-reported the new fields discovered in Louisiana in 1971 and 1972. The report said that the actual new reserves, 4.8 trillion cubic feet, were 54 per cent higher than the industry's report of 3.15 trillion. Consequently, the industry could claim much higher costs-per-unit in the discovery of the gas.

Decisions in the Dark

These erroneous estimates are vitally important because the government must often rely on them to make decisions on prices. During the Johnson Administration, then-chairman Lee White tried to end the FPC's dependence on the industry for data. He asked Congress for funds for a comprehensive, truly independent survey. Congress said No. In September, 1970, however, Senator Hart requested the Federal Trade Commission to make an independent investigation. The FPC was obstructive from the beginning; it even denied the FTC staff access to key papers and, when it belatedly yielded, ordered the papers to be copied "by hand."

The FTC's Bureau of Competition, after long delays, obtained subpoenas for the records of 11 major producers in Southern Louisiana, but had to go to court—and was still there at this writing—to enforce them against eight recalcitrant companies. Gulf and Union, however, did supply the requested data; Continental supplied most. This led to a blockbuster disclosure to Hart's antitrust subcommittee in June, even if it was admittedly tentative and disputed by the three companies. The producers' own records disclosed that they regularly reported to the AGA—and through it to the FPC—only one-half to one-tenth of their true reserves. The disclosure was made by the chief of the FTC's Bureau of Competition, James T. Halverson, who testified that the AGA reporting mechanism "could provide the vehicle for a conspiracy . . . to under-report gas reserves."

Early last year, the FPC responded with a survey of its own, which showed a 26-percent decline in "available" reserves between June, 1970, and July, 1972. Nassikas admitted that the survey data which the producers provided for their reserves as of December 31, 1971, had been lost for months. The estimates as of June 30, 1972, were, in a bizarre episode, ordered incinerated, but, thanks to a timely inquiry by Senator Hart and to a malfunctioning incinerator, were retrieved. John Wilson, then chief of the FPC's Division of Economic Studies, after examining the recaptured data, told a hearing held by Senator Edward Kennedy that at least 13 major companies had submitted data that were misleading if not false.

Wilson, now a private consultant, testified that the 13 producers had reported "zero available reserves," although they had invested tens of millions of dollars in leases on tens of thousands of acres of such fields. A few weeks after five of the companies had claimed to the FPC that they had negligible or even zero "available" reserves, they acknowledged to the agency that they had signed contracts to sell large amounts of the supposedly unavailable gas. The point was reinforced in January by FPC economist Schwartz. Two blocks of offshore Louisiana properties had been leased by two partners, he told a House Select Small Business subcommittee. One, Ashland Oil, reported to the FPC that the blocks contained no uncommitted reserves. But the other partner, TransOcean Oil, reported significant reserves.

Also at the Kennedy hearing, yet another FPC economist, George L. Donkin, testified that after spending

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$767 million to lease more than 743,000 acres in Southern Louisiana, companies, including Standard Oil of California, Exxon, Shell, Texaco, and Tenneco, were not producing on them.

In May, the FPC announced the results of a new, purportedly independent National Gas Reserve Survey. It showed reserves to be 9.4 per cent *less* than the AGA had estimated. Surprised? A member of the study's technical advisory committee, Professor Howard W. Pifer III of Harvard, wasn't. He told Kennedy that, with two-thirds of the survey's members affiliated directly or indirectly with the industry or with government, the study failed "to meet the criterion of an independent valuation." Pifer said that despite the finding, in at least 50 sample fields, of even less gas than the AGA had reported, his committee had found up to eight times *more* gas than the AGA. But the FTC's Halverson had an explanation for the survey's overall conclusion of less gas than reported by the AGA: the survey appeared to have been "weighted" where under-reporting by the AGA was "least likely to occur" and "limited" where "most likely to occur," Halverson told a Senate Commerce hearing.

Here's one more item: FPC economist Schwartz told the House subcommittee that the industry's Potential Supply Committee had estimated the nation's potential gas supply at 1,000 trillion cubic feet (annual consumption approximates 23 trillion). But, said Schwartz, the U. S. Geologic Survey had estimated the potential gas supply at 2,100 trillion cubic feet—a difference of more than 100 per cent.

The Better Solution

The impact of these disclosures has been to generate so much powerful opposition on Capitol Hill that President Nixon's de-regulation bill probably does not now stand a chance. The Senate would pass it "over my dead body," said Senator Henry M. Jackson. Even so, back-door de-regulation by the FPC continues to be a serious threat.

What's to be done? The most promising hope appears to be a comprehensive package of legislation sponsored mainly Senator Adlai Stevenson III. Its principle emphasis is on creating an environment in which the oil and natural gas industry will be restructured in a gradual, orderly way by expanding the market share and influence of independent producers, who do 80 per cent to 90 per cent of the "wildcat" exploration of unproven fields. Here are the principal components of the legislation:

- The wellhead price of oil, for the first time, would come under FPC regulation, because oil and gas are generally end-use alternatives to each other.
- FPC price controls, for both fuels, would apply only to the largest companies; small producers would be de-regulated.
- The price controls on the big companies would be extended to intrastate markets, either through state regulatory bodies that meet federal standards or through the commission.

Most importantly, the bill would establish a federal oil and gas corporation, modeled after the Tennessee Valley Authority, to explore for, develop, and produce natural gas and oil where most of it is—on government lands. No other country gives up its petroleum-bearing lands entirely to the oil industry. The corporation would put its profits into the Treasury of the United States. It would provide a yardstick for actual costs of production—now the government literally doesn't know what it costs to produce a barrel of oil on its own lands. It would help satisfy the need for energy. It would build strategic reserves. It would be a supplier of last resort. And it would be pro-competitive. Congress hasn't passed a pro-competitive piece of legislation in 20 years, but that's no reason not to act on this one. ■

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'We Try to Use Dictatorial Powers Only As a Last Resort'

by Walter Shapiro

The cab ride was by now quite familiar, but on that early March afternoon I instinctively put down my paper and turned to stare as the taxi ducked behind the Treasury Building, arced around the rear lawn of the White House, drove past the heavily guarded automobile entrance to the Executive Office Building, and swung onto 17th Street. Once the cab made the turn, my attention, as always, focused on the Executive Office Building (EOB to those close to the seat of power), whose highly ornamental style is Washington's most lasting legacy of the age of Louis Napoleon.

The other side of 17th Street has always been far more modest in scale, as if, almost providentially, it had been designed to complement the EOB.

The most memorable structure is the five-story Winder Building, which dates from the 1840s and has housed government agencies from Abraham Lincoln's War Department to such modern bureaucratic wastelands as the Office of Emergency Preparedness. But that afternoon, instead of seeing the row of small, pleasing structures that extended from the Winder Building most of the rest of the way to Pennsylvania Avenue, I was confronted with the work of a wrecking crew, the debris of a bulldozer. Where once stood the Nichols Cafe building, a three-story, 1830s townhouse, there now was only rubble. The Riggs Bank building (an almost classic example of the solidity that was *de rigueur* for financial buildings during the 1920s) fared a little better—most of its facade remained, but the rear of the building had been demolished. Although not visible from the street, the wrecking crews had also started work on the roof of the Winder Annex, an 1880's structure which adjoins its more famous namesake.

It is seductively easy to wax sentimental over the destruction of historic structures and to denounce their replacement by cement and glass office buildings as symbolic of the decline of taste in America. But that isn't the point of this story, that isn't why the gutted buildings on 17th Street are worth considering.

The now-vacant lot near the White House is symbolic of what happens when the government breaks the law. Sadly, in recent years this has become an all-too-familiar problem. But unlike such activities as the secret bombing of Cambodia, here the lawlessness has been reduced to a comprehensible scale.

Walter Shapiro is an editor of The Washington Monthly.

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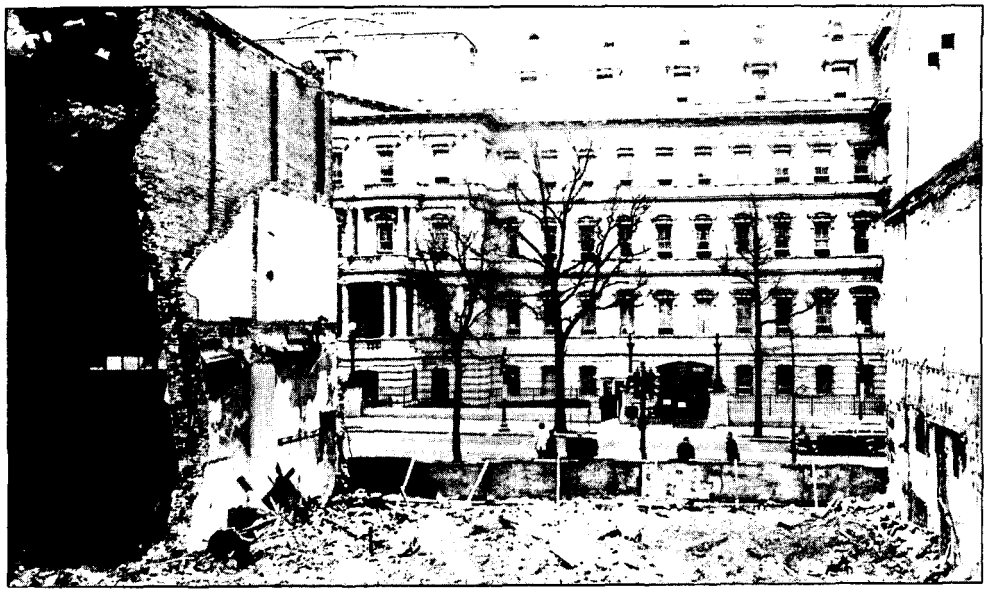

Penelope Breese

The villain this time is Arthur Sampson, head of the General Services Administration (GSA), the independent agency that supplies the government with everything from paper clips to the mausoleum-style architecture of so many new government buildings. Because almost everyone in government needs something from GSA, Sampson has the kind of power within the federal government that the custodians of pork barrel have on Capitol Hill. Sampson is far from unaware of GSA's unique position in the federal hierarchy. "We have almost dictatorial powers," he said recently when asked about the demolition. "Our policy is to try to fulfill all regulations, to try to cooperate. We try to use dictatorial powers only as a last resort."

On the weekend of March 2, the three buildings on 17th Street suffered the consequences of Sampson's concept of due process. The wreckers were dispatched virtually in secret, although GSA had pledged (or, at least, gone to great pains to give the impression that they had pledged) to take no action until all historic preservation questions were resolved. On the following Monday the remnants of the Riggs Bank and the Winder Annex were saved, for the moment, by a temporary restraining order obtained by attorneys for a local preservation group.

Destroying a building is, in its own way, as permanent a solution as hanging a murderer. That's why due process is even more important in a question like this than it is in resolving more abstract contitutional issues like impoundment. Two recent news stories illustrate the consequences of such irreversible actions. In *The Washington Star-News* Stephen Aug detailed how cash-starved Amtrak will have to spend between $1 and $2 million to restore a roadbed that was recently uprooted by the Penn Central if it is to reestablish passenger service between Boston and Chicago. Even more graphic is Morton Mintz's account in *The Washington Post* of the way in which General Motors conspired illegally with Standard Oil of California and Firestone Tire in the late 1940s to pave over Southern California's famed inter-urban street railway and replace it with a fleet of buses.

While hardly comparable to General Motors, the ultimate beneficiary of the demolition is the Federal Home Loan Bank Board, which coveted the site for its new offices. A little-known government agency, which likes to fancy itself as the Federal Reserve of the savings and loan industry, the

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Bank Board believes that moving to a prestige location just a block from the White House would rescue it from bureaucratic obscurity. In its criteria for site selection, the Bank Board gave top priority to a location in the "immediate vicinity of sister financial institutions" like the Federal Reserve, the Council of Economic Advisors, and the Federal Deposit Insurance Corporation (whose own box-like headquarters began the erosion of the charm and scale of 17th Street).

Leading the opposition to the Bank Board and the GSA, was the Advisory Council on Historical Preservation. In terms of size and power, the Advisory Council is to the U. S. government what Andorra is to Europe. Established in 1966, the Council—midway between an independent agency and a division of the National Park Service—has a staff of 27 (24 in Washington and three in a regional office in Denver) and an annual budget of less than $500,000. All the Advisory Council had on its side was the law, specifically Section 106 of its enabling legislation, which states that any agency contemplating building or demolition "shall afford the Advisory Council on Historic Preservation. . . a reasonable opportunity to comment" on any undertaking that affects any "building, structure or object that is included in the National Register"—an index of historic and architecturally significant properties maintained by the National Park Service. The Council's own regulations state that if no agreement can be reached at the staff level with another federal agency, "the agency official must delay further processing of the undertaking until the Advisory Council has submitted its comments. . . ."

When the Advisory Council was first officially informed of the planned Bank Board building, in September, 1973, they were primarily concerned with the new structure's visual impact on two National Register properties—the Winder Building, which would adjoin the Bank Board, and the Executive Office Building across the street. Although these original arguments of scale and aesthetics are extremely valid, they are also exceedingly personal and likely to be unpersuasive in public debate. As a consequence, when negotiations with the GSA began in earnest, the Advisory Council turned to the more clearcut argument of the historic and architectural importance of the existing buildings on the site. At this point, neither the Winder Annex, the Riggs Bank, nor Nichols Cafe were on the National Register. However, a 1971 Executive Order had directed all federal agencies to survey the properties they own for those likely to be eligible for the National Register, and pass on questionable cases to the Interior Department for final determination.

It was at this point that the GSA began taking the law into its own hands. Steve Ruttenbaum, who heads GSA's two-man office of historic preservation, refused to nominate these properties for the National Register. Ruttenbaum argued that GSA retains the right to nominate properties to the National Register and Interior can only affirm or deny these recommendations. So, on February 13 the Advisory Council (in a rather unusual move) asked Interior to make a determination of the historical values of the three properties. Just one week later, Interior ruled that "both the Nichols Cafe and the Riggs Bank appear to meet the criteria for inclusion in the National Register"—a finding that has the same legal effect as actual listing. Moreover, Interior concluded that the Winder Annex "is an integral part of the Winder Building itself" and consequently was already listed on the National Register.

During the last week in February, GSA embarked on a policy of either deliberate lying or willful deception regarding its plans for these three National Register properties. On Tuesday, February 26, GSA began demolition of a non-controversial structure on another portion of the Bank Board site. This prompted Patrick Macrory,

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an attorney retained by a local preservation group, to call GSA to determine their intentions. Robert Rice, a GSA attorney, assured Macrory that there was no need to go into court, since there would be no further demolition until consultation with the Advisory Council had been completed.

On the following day, February 27, the staff of the Advisory Council met with GSA in a futile attempt to resolve the dispute. Their only agreement was to place the issue on the agenda for the next meeting of the Advisory Council (then scheduled for May 1).

The importance of the February 27 meeting lies in the conviction universally shared by the Advisory Council (and disputed by GSA) that the agency had pledged to halt demolition until the May meeting. Robert Garvey, executive director of the Council, noted in a letter to GSA on March 1 that at the February 27 meeting it had been agreed that "there will be no further demolition of buildings in the site area pending comments by the Council." After the meeting, Ernie Holz, the Advisory Council city planner who had done most of the work on the Bank Board issue, asked Jim Stewart, GSA's project manager, "Are we to understand that demolition won't go any further?" According to Holz, Stewart answered: "Yes, yes, I will make that statement for you." According to David Julyan, an assistant to Rep. Fortney Stark, the most vigorous congressional opponent of the Bank Board's move, Stewart made a similar statement during a February 28 phone call.

The effect of all these assurances was to prevent anyone from going into court to guard against any further GSA demolitions. Meanwhile GSA was moving quickly. On Thursday February 28, Larry Roush, the head of the Public Buildings Service in GSA, consulted by telephone with several staff members who had been at the February 27 meeting. Late that afternoon Roush met with Arthur Sampson, who ordered demolition for that weekend.

On Friday morning, Jim Stewart called George Oram, the chief executive officer of the Bank Board, to inform him that demolition was planned for the weekend. Oram says that he informed Stewart that they "would have preferred to cover our congressional bases before the buildings came down," but stresses that it was only a problem of timing, "not that we thought it was incorrect to tear down the buildings."

The GSA had a sound reason for wanting to move ahead—because of escalating building costs, delay was raising the price of the building by $10,000 a day. GSA had a barely plausible legal argument: as agent for the Bank Board, under an obscure statute they were exempt from Advisory Board scrutiny. But rather than testing this doubtful contention in court, GSA avoided a judicial judgment with its "demolish first, ask questions later" methods. Why did the GSA decide to take the law into its

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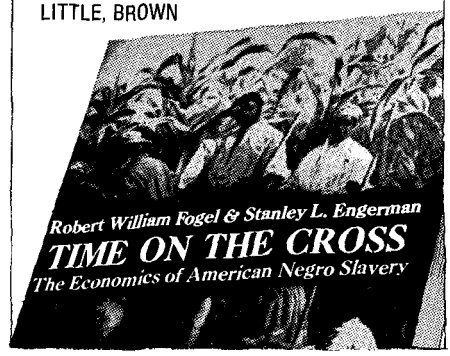

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own hands? A simple explanation might be that Art Sampson had just finished reading *Plain Speaking* and decided to refashion the GSA in Truman's image. (In the best "the buck stops here" style, Sampson says of the demolition, "It's a fact that I did it.")

It is significant to note that Sampson and Roush differ on whether they were aware that GSA staff members had made any verbal commitments that the National Register properties would not be torn down. Sampson acknowledges these assurances, but dismisses their importance, saying, "I was told there were some problems. There were some agreements that were not necessarily valid. I knew it was not an easy decision for me."

Roush, on the other hand, denies that he knew anything of these assurances until Robert Garvey visited him on Monday, March 4, to complain about the weekend's activities. Roush, obviously taking a cue from the President, said, "I was not aware of any of these commitments. Although it is difficult to imagine how I was not aware. I guess some of the staff assumed I knew things I did not."

After examining what Arthur Sampson has said since the extra-legal demolitions, it becomes apparent that he was primarily motivated by a desire to limit the ability of the Advisory Council staff to delay future GSA projects. In an interview in late March, Sampson said, "My strong feeling is that the future of the Advisory Council depends on their decision-making process. If they remain purists and idealists, they won't be around very long." After the Advisory Council met to consider (and, under some political pressure, approve) the Bank Board project in early April, Sampson recounted, "I told them that if you don't want me to do it again, I'll need some changes in your procedures that relate to how long you can delay a project."

This "you good guys have to shape up or else" attitude is becoming so prevalent these days that Sampson's exact words to the executive session are worth examining. Especially since Sampson was so proud of them that he dispatched a copy to me via courier within one hour after the closed-door session ended:

> In my opinion, the credibility of the Council and its ultimate clout is at stake today. And this is somewhat unfortunate because the Council membership did *not* put itself in this position. The *staff* of the Council did. And this is important to think about. . . .
>
> I weighed carefully the impact of my decision on our relationship with the Council. I knew the Council could go one of two ways. It could evaluate the action I took and find, based upon my past performance in historic preservation, that my action was not hasty and that it was justified. But I knew the Council could react negatively, and take some adverse action. I guessed that the latter would be true knowing then that the staff of the Council has great influence. . . .
>
> At this point you may wonder why I did not attempt to call a meeting of the Council, or meet with the Council staff, or Secretary Morton, or somebody—*before* ordering demolition. The answer to that question is simple.
>
> Having worked with Council staff on other projects and knowing their activities on this project—I knew that further consultation would be both futile and very time-consuming. At that point the staff had the power to control and/or influence the Council, the National Park Service, and high officials of the Department of the Interior. And the staff was not about to become objective overnight. . . .
>
> Let us learn a lesson from all this. Let us prevent this from happening again.
>
> There are those who feel that GSA must be taught a lesson in this case to prevent another episode of this type. This is the wrong approach—let me assure you of that.
>
> What we need to do is to resolve this issue affirmatively. . . . The role of staff must be defined if the Council is to succeed.

The Advisory Council staff, as was noted in the beginning, had only the law on its side, which really doesn't do you much good when the building has been knocked down, the tracks ripped up, or the bomb dropped. It is this power to make irreversible decisions that undermines the comforting notion that "we have a government of laws, not men." ■

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THREE WAYS TO INCREASE SECURITY—
AND SAVE MONEY TOO

Shooting at Empty Silos

by Pat Schroeder

For years the Pentagon has successfully parlayed fears about Russia's potential capability to launch a nuclear Pearl Harbor or a "first strike" into an awesome American strategic force, upon which we spend some $7.6 billion annually. Like all bureaucrats with "turf" to protect and expand, Pentagon planners are constantly searching for reasons to keep existing programs going and justifications for new ones. Unlike most of the other bureaucrats, the military strategists have the advantage of a special lingo that is full of words like "MIRV" and "SLBM" and which may have been invented years ago for the express purpose of rendering all discussion of the topic both cryptic and intolerably boring. Still, readers who stay the course will, I hope, find this article worthwhile, for it describes a basic—and possibly dangerous—change in defense policy.

Less than a year ago, the Pentagon's bureaucratic problems were becoming acute. It was losing credibility with the public at a pace close to that of the remainder of the Administration. Its old arguments about the danger of a Russian first-strike were being undone by a number of factors: our MIRVed* ICBM forces, our invulnerable fleet of Polaris-Poseidon submarines, our strategic bombers increasingly capable of striking targets inside the Soviet Union without even violating Soviet air space, the 7,000-plus "tactical" warheads based in Europe (many of which can reach the Soviet Union), and the SALT I agreements that prevented both sides from deploying ABM systems. The Pentagon needed something new to justify not only its regular incremental increases in defense appropriations, but also this year's jump of over 8 per cent.

Defense Secretary James Schlesinger came through with a whole new strategic concept during a question and answer session at the Overseas Writers Association luncheon on January 10. His statements that day reveal more about underlying Pentagon intentions than anything the Administration has since said or is likely to say in the future. In some ways the remarks were too revealing; shortly thereafter a National Security Defense Memorandum, signed by the President himself, "clarified" for intra-Administration purposes the U. S. position on nuclear flexibility in a manner that has led Schlesinger to be less forthcoming during subsequent public appearances, including those before the Congress.

But the presidential memorandum did not affect the approximately $250 million the Pentagon is seeking this year for research and development of its newest pet project—weapons with efficient "counterforce" capabilities. These include new missile warheads, improved guidance and re-entry sys-

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*MIRV, which stands for multiple independently targeted re-entry vehicle, means missiles that deliver several bombs, each of which may hit a different target. If shotgun pellets could be armed and aimed separately, MIRV would be a nuclear shotgun.

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tems, and the like—all of them designed to destroy neatly the other side's strategic weapons. In conventional warfare, "counterforce" would mean blowing up the other side's cannons and wetting his powder. Since the budget requests for counterforce remain the same, as they were before the presidential memo, it is fair to assume that Schlesinger's January 10 remarks provide a more accurate picture of Pentagon nuclear strategy than the more cautious later statement.

Schlesinger began on January 10 by announcing a "change in the strategies of the United States with regard to the hypothetical employment of central strategic forces." Previously "the American doctrinal position has been wrapped around something called 'assured destruction' which implies a tendency to target Soviet cities initially and massively. . . . It is our intention that this not be the only option and possibly not the principal option open to the National Command Authorities."

What's Wrong with Counterforce

In essence, the new counterforce option is designed to give us the capability to zero in on the silos containing Soviet missiles and to give us the assurance that most of the missiles we fire will score strikes against their Soviet counterparts (if, that is, the Russian missiles are still there and haven't already come shooting toward us). Our current missiles cannot do this efficiently because they are not large or accurate enough So the Pentagon has requested $250 million in R&D funds this year, which will—unless Congress puts its foot down—be the first step toward the creation of new generations of missiles costing from $7 to $10 billion.

Is this change necessary because our second-strike capacity (that is, our ability to annihilate the Soviet Union even after absorbing a surprise first strike ourselves) had become endangered? Quite the contrary, said Schlesinger: "The main point that should be understood is that both sides now have, and will continue to have, invulnerable second-strike forces . . . .

"If one is thinking only in terms of the ability to bash the cities of the other side, we have more than enough forces. There are however target sets far more numerous than that and far more difficult to destroy selectively." Quite apart from the challenge of it all, Schlesinger said he would hope in the event of a nuclear exchange, "to minimize collateral damage and to avoid to as great an extent as possible bystander fatalities."

What Schlesinger was outlining for us, then, is the notion of a retaliatory force that could do its work more clearly and efficiently. It could inflict a surgical strike on enemy missile silos and other military targets, using nuclear scalpels from two to eight times more powerful than those that destroyed Hiroshima. It is a theoretical concept, one of almost Jesuitan abstraction. How this former Rand analyst must have relished putting it together!

Yet, upon closer scrutiny, counterforce appears to be counterfarce. In its name we will expend billions of dollars on a strategy which will yield only marginal returns and may bring closer the terrible risk of nuclear war.

It is necessary, first, to recognize that the new strategic concept does not simply mean retargeting our existing nuclear weapons. We can do that to some extent already. Our missiles now have a published accuracy of 1,500 feet, and it has been calculated that three of them taking aim at a hardened Soviet silo have an 80-percent probability of destroying the weapons inside. This evidently does not satisfy either the President or his Defense Secretary, for they want to develop an entire new generation of more accurate missiles.

To illustrate the fallacy underlying counterforce reasoning, let's examine the utility of these new weapons in terms of a few (hopefully unthinkable) nuclear scenarios:

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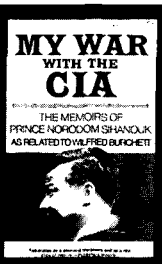
a) All-out nuclear war. The Pentagon makes no claims for counterforce weapons in the event of a full-scale Soviet attack, and for very good reason. Should such an occasion come to pass our new multi-billion dollar systems would be aimed at Soviet ICBMs already launched. In all his statements and testimony on counterforce, Secretary Schlesinger has never yet argued the strategic value of pinpoint hits on empty Soviet missile silos.

b) Surprise "limited" attack on U. S. missiles. Here it is assumed either that the Soviets launch large numbers of ICBMs against our ICBMs and then issue an ultimatum against U. S. responses with sea-based missiles, or that they attack some of our ICBMs with less than their total ICBM forces.

In the former case, Soviet planners would have undertaken enormous risks for meager returns since they would have fired the first nuclear strike, inviting full-scale retaliation, without destroying our ability to fire back with sea-based missiles or strategic bombers. In the latter case, their risks would be even greater since some portion of our ICBM forces would remain intact.

In either case, counterforce weapons would be of little use because an enemy moved beyond reason to the point of having launched the first nuclear strike would almost certainly respond to our retaliatory launch by firing their very ICBMs at which we were aiming. In other words, even assuming that we could act with restraint after suffering millions of casualties, there is no assurance that the residual Soviet missile force will be on the ground when our missiles arrive 30 minutes later.

The true danger of Pentagon thinking on the subject is apparent when one considers that even were we able to destroy all or part of Soviet ICBM forces on the ground, the Soviets would still have their entire sea-based



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nuclear fleet which would remain invulnerable to any counterforce option we might develop, just as our sea-based missiles remain invulnerable to Soviet counterforce weaponry.

c) A nuclear "demonstration." Schlesinger has argued that we need a counterforce option to have the kind of limited nuclear exchange where we would swap, say a submarine base in Groton for a Soviet base near Vladivostok. Of course, our current reasonably accurate weapons would be more than adequate for disposing of "soft" targets like submarine bases, so Schlesinger's argument is couched in humanitarian terms—more accurate weapons would cause fewer civilian casualties. Here it is crucial to note that we are talking about accuracy improvements amounting to only a few hundred feet. This may mean a great deal in terms of killing a hardened missile silo. But it means little indeed in terms of saving a "soft" human being. Humanitarian considerations would, in any event, argue for keeping nuclear wars unthinkable, not "limiting" them to the point of plausibility.

Although time has dulled our awareness and allowed us to hear terms like "limited" nuclear war without blanching at the meaning behind them, it is worth recalling what costs any sort of nuclear war would inevitably involve. A 1967 symposium on post-attack recovery from nuclear war sponsored jointly by the National Academy of Science, the National Academy of Engineering and the National Research Council concluded that:

- 10 million Americans would be killed outright in a "limited" nuclear exchange—"limited" to military targets.
- another 10 million would be fatally injured, half suffering the agonies of fallout disease.
- another 18 million would be injured, one third from fallout.

The psychological damage from such a catastrophe and the long-term suffering resulting from tumors, leukemia, and other afflictions are almost impossible to predict. As if to dispel the atmosphere of gloom, the symposium did offer this prophesy: "More grain would survive the postulated attacks than people to consume it."

Humanitarian considerations, not to mention logic, strongly suggest leaving the yield and accuracy of our strategic weapons alone. Such considerations demand that nuclear war remain unthinkable, that the expenditures for deterrence level off and that the incentives for both sides to enter into more comprehensive arms control agreements remain intact.

Increasing the Risks

The counterforce concept strikes at the vitals of each of these goals. Schlesinger's own words almost suggest boredom with the whole idea of mutual assured destruction, a changing of the ground rules in order that those in our military think tanks can get back in earnest to their intercontinental chess games. Thrown into the garbage heap are all budgetary guidelines, as the proposed research and development program ripens into total expenditures of $7 to $10 billion in the next five to seven years. Counterforce also subverts the prospect of further arms limitation accords in three ways. First, a counterforce strategy introduces elements—yield and accuracy—which are virtually impossible to monitor without actually getting into the other fellow's silo, something the Soviets have never agreed to even in principle. Second, it places the side seeking limitations on the number of missile launchers at a distinct disadvantage: if you decrease the number of launchers while the other side increases the yield or accuracy of remaining warheads your missiles are less secure than they would have been had their number not been restricted. Finally, the notion of counterforce encourages experimentation with new evasive techniques—mobile ICBMs and the like, a whole new field for defense

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expenditures.

Unless we in the Congress stand firm, the Schlesinger scheme risks a new U. S.-Soviet arms race. The Pentagon's crowning achievement of recent years was using the SALT I agreement as an excuse for a continuation of the arms race by accelerating pet projects not expressly covered by the accord. Before SALT we had stopped our production of missiles below the strategic limits later allotted us by the agreement. We felt safe in doing so because—as Alain C. Entoven and K. Wayne Smith noted in *How Much is Enough?*, "Having more would not be worth the additional costs." Yet meaningless numerical superiority accorded the Soviets in land and sea-based launchers became our excuse for galloping recklessly ahead.

As has been the case of quantum jumps in U. S. weapons expenditures under the traditional deterrence strategy, the concept of counterforce is now being justified by the Pentagon on the basis of grave new developments within the Soviet Union. At his January 10 press conference, Schlesinger said that with the "immense amount of throw-weight" (missile capacity) now available to the Soviets, they may eventually be able to "marry the technologies" by combining throw-weight with MIRV and other programs now in their technical infancy. This would give them "a major counterforce option against the United States and we would lack a similar option."

The warning was echoed in later testimony before Congress by Admiral Thomas Moorer, chairman of the Joint Chiefs of Staff. Moorer, who has had difficulty recognizing pilfered documents coming across his desk, had no problem noticing and becoming alarmed by an illusory "destabilizing momentum of the U.S.S.R. strategic build-up" that "could place the United States in a position of strategic inferiority in the years ahead."

With respect to the Soviet momentum Admiral Moorer perceived, it is true that since the SALT I accords were signed the Soviets have, indeed, begun deploying longer-range submarine-based missiles, have made modifications in their Y-class submarines to carry the new missiles, and have continued development of a medium-range bomber known as BACKFIRE. The submarine developments should cause no alarm here since they are intended to insure the invulnerability of the Soviet nuclear fleet, thus preserving deterrence, and the BACKFIRE threatens China more than ourselves. The Soviets have also begun testing MIRV on their heaviest missiles. Only 25 of their silos are large enough to hold these missiles, however, and even according to Schlesinger, the Soviet MIRVs cannot be fitted onto existing missiles until sometime between 1981 and 1983.

Without minimizing the significance of the above, it is instructive to compare U. S. activity in the area of strategic weapons during the same period. Since May, 1972, we have been busier than the Russians. We have:

- deployed more than three new missiles a day,
- continued replacing Minuteman I missiles with multiple-warhead (MIRV) Minuteman III,
- continued replacing Polaris missiles with larger, multiple-headed Poseidon missiles,
- continued development of the B-1 Intercontinental bomber,
- initiated work on a strategic cruise missile,
- begun research and development on a land-based missile that can be moved from place to place,
- begun a MARV (Maneuverable Re-entry Vehicle) program.

In addition, this year's Pentagon budget recommends that work begin on a new missile submarine (Narwhal-type), an air-launched cruise missile program, and a new ICBM system. It is, in sum, appropriate to wonder not only which side has the strategic "momentum" but which is chiefly responsible for the frightening pace of the arms race. ■

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7,000 Toys for the Generals

by Paul Warnke

It is now over 20 years since we began to deploy substantial numbers of armed forces in Western Europe, and almost as long since we began to place large quantities of nuclear weapons there. During the 1950s, the deployment of nuclear weapons was almost automatic and undebated. They were, in the prevailing view, better weapons. And, of course, nothing was too good for NATO. Accordingly, over a period of years, the present total of something more than 7,000 tactical nuclear weapons were stationed on European soil.

The purpose of these tactical nuclear weapons is to fill the gap between conventional defense and the strategic nuclear deterrent. I believe this role to be an important one. I would, therefore, oppose the removal from Europe of all our tactical nuclear weapons. But there are, I believe, serious questions about whether we have the right number of such weapons and whether they are currently in the right places.

It is clear that the great number of these weapons, their nature, and the deployment of many in forward locations give rise to serious security questions. The location of many of these weapons near the frontiers creates the risk that they might be overrun in the early stages in a limited surprise attack. This risk could lead to an early and premature decision to use them rather than to see them fall into enemy hands. The choice of mounting a conventional defense and providing time for our adversary to reconsider and pull back could be taken away from us. It is hard to see why the exposed position of these weapons is a necessary ingredient in our deterrent strategy.

A second question is the problem of distinguishing tactical from strategic nuclear weapons. Perhaps the only logical definition of a tactical nuclear weapon is that it is one which will be detonated on friendly soil. Those of the 7,000 so-called tactical nuclear weapons in Europe that can reach Soviet targets are, to the Soviets, strategic nuclear weapons. Their existence, therefore, complicates the Strategic Arms Limitation negotiations. If we refuse to include the weapons in SALT, we alarm the Soviet Union; if we *do* include them in these negotiations, to which the NATO countries are not privy, we can create deep concern and resentment within the alliance. Reducing the number of these long-range tactical nuclear weapons in Europe would leave our nuclear deterrent unimpaired while also speeding the progress of SALT II.

The deterrent purpose of tactical weapons could abundantly be served by the maintenance of a few hundred at most. Moreover, this reduction would permit the reassignment of personnel now required in the care and maintenance of these weapons. NATO's ability to present a prompt and plausible conventional response to Soviet attack would not be diminished but enhanced.

An all-out Soviet attack on

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Western Europe is perhaps the least likely of the military emergencies that NATO may face. However improbable a more limited attack may be, it is less mind-boggling to envisage small-scale fighting associated with political change and tension on the East-West frontier. For such contingencies the tactical nuclear weapon is the least appropriate instrument. It seems clear, therefore, that too much of NATO's time, personnel, and planning now go into tactical nuclear weapons which are largely unusable except as an *in terrorem* device.

The number of tactical nuclear weapons now deployed in Europe should be substantially reduced. We should begin now to consult in NATO about how many of these weapons should continue to be deployed, of what type and where. In the long run, these changes may increase the deterrent impact on the Soviet Union, rather than decreasing it. A military posture that lacks reality is less formidable than one which, though more austere, carries greater logic. ■

An Island Paradise for the Admirals

by Gene LaRocque

We are at a crucial point in the evolution of U. S. policy toward the Indian Ocean. The proposal to build a naval and air base on the island of Diego Garcia where there is today only a limited communications facility requires the most rigorous examination and searching questioning.

Until very recently, U. S. policy toward the Indian Ocean was, with some exceptions such as the dangerous "tilting" exercise in gunboat diplomacy during the India-Pakistan war in 1971, sound and reasonable, one of restraint and constrained military presence. This was in recognition of the fact that the U. S. has no vital interests at stake in the region and that U. S. security interests there are comparatively limited. Overall U. S. objectives and the well-being and security of the countries of the region were best achieved through economic and diplomatic means.

The position of the State Department was expressed in 1971 by David Abshire, Assistant Secretary for Congressional Relations: "U. S. security interests in the Indian Ocean region are quite limited." In May 1973, Joseph Sisco, Assistant Secretary for Near East and South Asian Affairs, observed that "the subcontinent is very far away. I think our interests are marginal. I think the Nixon doctrine is quite applicable—namely, we ourselves don't want to become involved."

The construction of an austere communications facility at Diego Garcia was approved by Congress after constant Administration reassurances that it would be no more than a communications facility. Less than a year ago, James Noyes of the Defense Department assured Congress that "there are no plans to transform this facility into something from which forces could be projected, or that

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would provide a location for the basing of ships and aircraft."

The U. S. Navy, however, has long had different ideas. The Navy dream has been to inherit the British Imperial legacy "East of Suez." Plans for moving into the Indian Ocean date back to the early 1960s and even before. The first prerequisite to an expanded U. S. naval presence was a series of radio and communications facilities to handle increased naval traffic. Diego Garcia was added to the network extending from Asmara, Ethiopia to the Northwest Cape of Australia.

The next step is developing a supply and repair base in the Indian Ocean. This is where we now find ourselves: the Defense Department is asking Congress for $29 million in the 1974 supplemental bill and an additional $3.3 million in the fiscal 1975 budget, and it wants this money to start making Diego Garcia into a supply base.

Strictly speaking, this is not the first money for such purposes. Under the guise of funding for the existing "very austere" communications facility, the Navy has already received $6 million in fiscal 1973 for dredging the Diego Garcia harbor to create a turning basin 2,000 feet wide and 6,000 feet long to accommodate submarines and aircraft carriers. The existing 8,000-foot runway can handle most aircraft, the design aircraft being the huge C-141 cargo airplane.

Future improvements on the harbor, runway, and re-fueling and support facilities will go a long way toward making the base at Diego Garcia similar to the one at Subic Bay in the Philippines. Those who may doubt that this is the Navy's intention—that is, those who believe official statements that Defense is "not aware of any plans to ask for more money"—should examine the record of how, despite assurances to the contrary, year by year the Defense Department's requests and plans have expanded as the camel's nose has been pushed further and further under the tent. As far as the Navy is concerned, the austere communications facility on Diego Garcia was simply a convenient way-station on the road to something bigger and better.

The line that will be used to sell the permanent base is "The Russians Are Coming." As Admiral Zumwalt said recently, "Their tentacles are going out like an octopus into the Indian Ocean." Does the threat warrant the steps which are being proposed? The conclusion I draw from a look at a broad range of factors is that the U. S. Navy is exaggerating both the Soviet Naval threat in the Indian Ocean and our own weaknesses.

Misleading presentations of comparative Soviet and U. S. naval activity in the Indian Ocean are very common. One of the most misleading is the number of "ship-days" spent by naval vessels of tne two countries in the Indian Ocean. Ship-day totals are the number of ships in the ocean multiplied by the number of days they spend there. In 1971, for example, the Soviet Union is said to have accumulated 3,149 ship-days versus 1,350 for the U. S. It is important, first, to remember that most of the Russian ships are noncombatants—oilers, oceanographic vessels, and the like. Moreover, the data on port calls tell a different story than those on ship-days. Port calls are perhaps a more accurate indication of impact and influence in the region. In 1971 Soviet naval combatants and auxiliaries made 33 port calls to seven states in the region. The U. S. Navy made 157 port calls to 20 states in the Indian Ocean region in 1971. Part of the explanation for the discrepancy is that the Soviet naval units tend to spend much of their time at open sea anchorages, out of sight and perhaps out of mind of the people of the region.

The U. S. Navy helps to make up for this lack of publicity by providing the Soviet Navy with a lot of free advertising. Defense Secretary Schlesinger has said that *perceptions*

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of military capabilities by third parties are as important as actual capabilities, yet his deportment keeps referring to the ominous Soviet presence in the Indian Ocean. If his reasoning about *perceptions* is true, the U. S. Navy should cease and desist from trumpeting the Soviet naval threat to the skies and running down U. S. capabilities. Overrating of the Soviet Union's naval strength in the Indian Ocean, or elsewhere, yields the Soviets unnecessary and undeserved political gains, particularly in third world countries.

The Soviet Navy lacks reliable and secure shore-based support facilities on the Indian Ocean. In fact, Soviet practice has been to rely primarily on its own auxiliary ships for fuel, provisions, and repairs. This is one of the reasons the Soviets have more naval ships in the region. The Soviet Navy, as does the U. S. Navy, has access to ports and facilities in a number of countries, but the use of these facilities does not confer base rights or convert them into Soviet naval bases. Now, on Diego Garcia, the United States is building a naval support base, essentially under its own control, in the Indian Ocean. The Soviet Union is not. Is this necessary?

Even now, the United States has a substantial advantage over the Soviet Union in its ability to support naval forces overseas without an extensive network of foreign bases. Nuclear-powered naval surface ships—which the Russians do not have—are especially useful for extended deployments; the United States has a total of 14 of these ships in action or already funded. The U. S. also has more oilers, repair ships, and underway replenishment ships and can sustain a fleet at sea without shore facilities better than the Soviet Union.

The probable reopening of the Suez Canal—which would permit more Soviet ships to enter the Indian Ocean—has increased the pressure for a U. S. naval build-up in the area. I am skeptical that the Soviets have many ships that they can afford to take from higher priority regions for use in the less important Indian Ocean. In any case, we should try to reach agreements about controlling military traffic through the Suez Canal before setting firmly on the path toward a naval arms race.

The U. S. Navy has the capability to move into the Indian Ocean in force from the Pacific and Atlantic on any necessary occasion. A support base at Diego Garcia makes sense only if we plan significantly *increased* deployments in the Indian Ocean. The need for this is very doubtful. The marginal benefits in efficiency would not compensate for the problems created.

One of the problems is the increased risk that a local conflict could turn into a confrontation between the two superpowers. Examples would be hostility between India and Pakistan, or between Iran and some of its neighbors such as Iraq and Saudi Arabia. With more U. S. and Soviet naval forces on hand, involvement by the two powers would be all the more likely. Some countries in the area fear that they will be dragged into superpower conflicts. Our search for influence in the region can quickly be transformed into compulsion to defend the positions and privileges we obtain; and the privileges soon become national security imperatives.

Three years ago hearings on the Indian Ocean were held by another Foreign Affairs subcommittee. The State Department witness on that occasion was Ronald Spiers, director of the Bureau of Politico-Military Affairs. Spiers cogently summed up a restrained U. S. policy toward the Indian Ocean which is just as sound today as it was then:

> There appears to be no requirement at this time for us to feel impelled to control, or even decisively influence, any part of the Indian Ocean or its littoral given the nature of our interest there and the current level of Soviet and Chinese involvement. We consider, on balance, that our present interests are served by normal commercial, political, and military access. ■

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Tidbits and Outrages

The Taxpayers' Postage

Congressman Morris Udall recently admitted in a letter to his colleagues that "when the new Congressional franking bill was enacted in December, a staff error resulted in an unintended change in the printed material appearing on franked envelopes now being produced." These postage-free envelopes used to simply bear the Member's signature. The staff error resulted in the phrase "Postage paid by Congress" appearing under the facsimile signature. But Rep. Udall reassured his colleagues, "I'm happy to report that the House committee on the Post Office and Civil Service today added a repealer of this unfortunate goof to a Senate-passed bill, S. 2315, and that the bill is expected to be on the next Consent Calendar.

"Members who are concerned about using envelopes with the new language might consider withholding orders for new supplies of franked envelopes for a few days until the repealer can be signed into law.

"I personally regret this error and any difficulty it might have caused."

S. 2315, as amended, passed the House by unanimous consent March 4 and the Senate March 19. It is reassuring to know that our Congress is capable of rapid action in genuine emergencies.

Survival of the Fittest

In his forthcoming book, *Judges*, Donald Dale Jackson quotes J. Sam Perry of Illinois on how he got his federal judgeship:

"I gambled," he said. "I saw a man—Paul Douglas—who looked as though he might be elected to the Senate. I backed him, and as a result I had his support. . . . I tried to obtain the appointment once before and learned that it requires not one but two senators. . . . I was out of politics and they did not need me. I decided I had better get back into politics, which I did. I learned that everyone shoots at the number-one choice, so I told each of the senators not to make me first. . . . That proved to be pretty good strategy everybody else was shot off and, no use lying about it, I helped to shoot them off. The result was I landed on top."

Layettes Come First

Another illustration of the idealism rampant among government employees comes from the American Foreign Service Association, which describes as one of its two major achievements of the month getting the State Department to agree to

(1) A substantial liberalization in the Supplementary Post Allowance, which will permit payment of the allowance to all family members. Once implemented, this should make transition to life at a new post substantially less costly.

(2) Undertake a thoroughgoing study of the wardrobe section of the Foreign Transfer Allowance. We had indicated that the allowances for inter-zonal transfers were woefully inadequate. Following the study, the Department has indicated that it intends to include this question in funding requests for FY-76.

(3) A substantial liberalization in Educational Travel, reducing the period dependent children must spend at post while on educational travel from 45 to 21 days.

(4) A major increase of roughly 50 percent in the maximum payments for certain categories of property on which there are claims of property losses. AFSA had argued that since the overall maximum payment had been increased, and in light of substantial inflation, the subcategory limits should also be raised. The Department also agreed to circularize information notifying employees of the provision of the regulations which permits advanced payment of claims in cases involving substantial personal hardship.

(5) Shipment of layettes. The Department has already agreed last August in principle to shipment of American-style layettes for newly-born children when these were unavailable locally. We disagreed, however, on the exact amount of the allowance. We have now settled on 160 lbs.

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Things You Always Wanted to Know

The Office of Naval Research recently awarded West Virginia University a grant of $16,032 for a "study about the social relations between mariners and marine scientists on ocean-going research vessels." Another government research project provided $15,800 for a study to find out why fishing boat crews cause conflict in Yugoslavian peasant towns.

Gentleman John

In a recent interview with the editor of *Intellectual Digest*, Clark Mollenhoff, reminiscing about his year in the Nixon White House, recalled this example of John Ehrlichman's charm: Mollenhoff was trying to warn Ehrlichman about the dangers of getting mixed up with Jimmy Hoffa, and told Ehrlichman about the time Hoffa had said: "All right, Clark, they don't pay newspaper reporters enough for you to be giving me such a bad time. Everybody's got his price, what's yours?" Ehrlichman's response was: "We know your price: a White House title and $33,500 a year."

Corporate Watergate

Another heartening indicator of today's moral climate comes from a recent survey of 3,000 business executives by the American Management Association. Seventy per cent of the respondents said they had been expected to compromise personal principles in order to conform either to organizational standards or standards established by their superiors.

Socialized Medicine

The Washington Star News carries a question and answer feature that recently contained this item:

Q. In a recent speech, President Nixon commented (and I copied the words carefully): "When I go to a hospital, or when I call a doctor, I want that doctor to be working for the patient and not for the federal government, and that is what this is all about." He was talking about his health insurance proposal. Does the President, indeed, use a personal physician?—J. O., Miami, Fla.

A. No. The President's doctor is Walter Tkach, a major general in the Air Force. Like the President, Dr. Tkach is a salaried government worker and Mr. Nixon is always treated at the federal government's Bethesda National Naval Medical Center in Maryland.

Fly Me

Until a law suit opened them up a few weeks ago, American Airlines' "Admirals Club" had been an exclusive refuge for the powerful. The club maintained comfortable lounges at major airports for the use of invited guests only. The guests were called "Admirals" and those eligible for the honor were described in an internal American Airlines document as:

. . . those who have "demonstrated themselves to be consistent friends of American Airlines by directing traffic to American Airlines, influencing others to use the services of American Airlines, assisting American Airlines in legislative or route development matters, or whose friendship and cooperation are desired by the company."

The same documents, according to *The New York Times*, identified categories of eligibles. The first four:

† Military services—flag and general officers.

† Federal government—Members of Congress and officials appointed by the President.

† State government—Governors, lieutenant governors, attorneys general, and other officials on the governor's executive staff; presidents, speakers, majority and minority leaders, and committee chairmen of legislatures; judges of courts of general or appellate jurisdiction; officials of aviation departments or commissions.

† Local government—Mayors and mayors' executive staff, city managers, members of city councils, presidents of Chambers of Commerce, officials of airport boards or commissions, and airport managers.

Frequent passengers, who we had always assumed were the primary beneficiaries of airport lounges, were far down the list. But of course they can take comfort from a recent study of 12 pregnant stewardesses on one airline which disclosed that six either suffered miscarriages or gave birth to deformed babies because of excessive exposure to leaks from radioactive cargo. The stewardess study also found that a steady on-the-job diet of airline food can cause hypoglycemia, or low blood sugar.

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The Rehnquist Recuse: Judging Your Own Case

by John MacKenzie

Although a judge has been appointed by imperial power yet because it is our pleasure that all litigations should proceed without suspicion, let it be permitted to him, who thinks the judge under suspicion, to recuse him before issue joined, so that the cause go to another.

—Justinian Code

No man can be a judge in his own cause.

—Lord Coke (1614)

A period of conspicuous change in the Supreme Court puts a heavy strain on judicial ethics. The failure of a jurist to abide by high ethical standards can exacerbate the tensions that already run high when the courts are confronted by highly emotional, somewhat political, and deeply divisive issues, as they have been in recent years.

This article deals with how Justice William H. Rehnquist, an Assistant U.S. Attorney General before President Nixon appointed him to the Court in 1971, responded to the ethical issues raised by his sitting in judgment on matters deeply affecting his former client, the President. The sad conclusion—sad because it must be made of a jurist with intellect, ability, and dedication to the Court—is that Rehnquist's performance was one of the most serious ethical lapses in the Court's history. Sad, too, because his behavior, documented in his own extraordinary memorandum justifying his conduct, came at an ethical watershed for the Court, when the distress of past scandals was supposed to be behind us. The memorandum, the only one ever published by a justice in response to a motion to disqualify himself (such motions are themselves very rare), is itself a monument to both Rehnquist's technical ability and his ethical shortsightedness.

Even before his appointment, Rehnquist had been a witness to much of the recent anguish of the Court. He gave advice to Attorney General John N. Mitchell during the spring of 1969 when Abe Fortas left the Court under a cloud, and later that year he was the Justice Department lawyer who tried to usher the Haynsworth nomination through the Senate. In 1970 he performed similar functions for both the Carswell and Blackmun nominations. Indeed, he appeared to have learned from the Haynsworth fight that whatever might be said in judgment of that unfortunate nominee, the Senate had clearly opted for stricter ethical standards for present and future justices. On the Justice Department's correspondence about Blackmun with the

John MacKenzie covers the Supreme Court for The Washington Post. *This article is adapted from his book,* The Appearance of Justice, *to be published by Scribner's in June.*

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Senate Judiciary Committee was attached a notation—that perhaps the old statute on judicial disqualification itself had been given a stricter meaning by the way the Senate interpreted it in the Haynsworth vote.

At Rehnquist's confirmation hearing, senators were anxious to know whether he would consider himself qualified to sit in the forthcoming test of the President's power to wiretap, without court authorization, individuals classified by the executive branch as domestic subversives. Rehnquist assured the Judiciary Committee that since he had given key legal advice in the preparation of the Justice Department's position before the Supreme Court, he would not sit in the case. When the case came up, Justice Rehnquist did indeed "recuse" himself (the technical term for removing oneself from a certain deliberation), and the Court rejected the Justice Department's position by an eight to zero vote.

When Rehnquist joined the Court, the most ethically sensitive cases he faced were the *Branzburg* and *Tatum* cases. *Branzburg* pitched the newspaper industry against the government's claimed power to subpoena unpublished and sometimes confidential information from newsmen—in this case, Paul M. Branzburg of *The Louisville Courier-Journal*, Earl Caldwell of *The New York Times*, and Paul Pappas of television station WTEC-TV in New Bedford, Massachusetts. *Tatum*, which would ultimately produce the famous Rehnquist memorandum, raised the question of whether peace workers and antiwar groups could take the government to court over the army's program of surveillance, infiltration, intelligence-gathering, and dissemination of information about law-abiding civilians to other federal agencies.

Another case with a lurking though less clear-cut ethical question was *Gravel*, which involved the government's attempt to elicit grand jury testimony about the source of the copy of the Pentagon Papers that came into the hands of Senator Mike Gravel. Rehnquist, as Assistant Attorney General, had fired the first volley in the Pentagon Papers fight by telegraphing editors at *The New York Times* and *The Washington Post* and asking them to suspend publication voluntarily. When they refused, the request was converted into a demand and a court complaint to enjoin publication.

Although it was not a surprise to see Justice Rehnquist on the bench taking part in the *Gravel* hearing (he had little to do with the Pentagon Papers after the prior restraint dispute in June, 1971), it was a shock to see him there when the *Branzburg* and *Tatum* cases were called for oral argu-

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ment. As Assistant Attorney General, Rehnquist had been the Justice Department's chief public spokesman, second only to the Attorney General himself, for the Justice Department's controversial policy of subpoenaing newsmen during investigations of Black Panthers and other groups. On one occasion Rehnquist had appeared on a panel with news commentators to defend the Justice Department's 1970 subpoena guidelines, which his Office of Legal Counsel had helped to prepare. The guidelines were instructions to United States attorneys' offices across the land, and they served as "litigating" material that the government cited in every court case to show the reasonableness of Mitchell's policy.

During the *Branzburg* argument, Justice Rehnquist, typically an active questioner from the bench, showed no consciousness of impropriety in his frequent give-and-take discussions with counsel for the three newsmen. He said nothing, however, during the entire oral argument in the *Tatum* case, perhaps signaling his awareness that it did involve an ethical question on which he was reserving judgment. This unaccustomed reticence only added to the confusion of counsel for Arlo Tatum (director of the Central Committee for Conscientious Objectors) and the other political dissenters who were trying to maintain their suit against the Army. Did Rehnquist actually intend to vote in the case or was he merely sitting to hear the case out of interest? Was he there on some sort of provisional basis to determine for himself whether his previous involvement was disqualifying? Unlikely as this possibility was, it counseled caution to anyone who might have been tempted to ask that Rehnquist be removed from the case, lest they offend not only him but perhaps others on the Court as well. Senator Sam Ervin was more sensitive than most to why Justice Rehnquist should not sit; but sitting alongside lawyers from the American Civil Liberties Union in the Court's hearing room, he quietly counseled the cautious approach. Ervin, who joined the argument as a friend of the court on the side of the civilian plaintiffs, was unwilling to assume the worst. He recalled that when he argued in the *Darlington* labor cases, Justice Potter Stewart sat on the bench but dropped out when something said at the hearing reminded him of a close association with a textile official.

The argument against Rehnquist was based on his role as principal

Administration defender and witness at extensive hearings on military surveillance held before Ervin's Subcommittee on Constitutional Rights. There Rehnquist stated that the Pentagon surveillance program, however unwise or regrettable, did not violate anyone's constitutional rights. More crucially, he testified that the *Tatum* lawsuit, which was pending in lower courts while the Ervin hearings were under way, was not "justiciable"; that is, he said that courts should and would dismiss the lawsuit

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because the issues it raised were not appropriate for judicial consideration. This question of "justiciability" was, as it turned out, the heart of the case Then it reached the Supreme Court.

Furthermore, Rehnquist, in his prior role as advocate, had made clear to Ervin the Justice Department's determined resistance to any legislation attempting to control the military surveillance practices—which he said had stopped anyway—or to any attempt to impose a judicial remedy by statute. The problem, he said, was best left to the "self-discipline" of the executive branch.

Central to the Administration's position on *Tatum* was its contention that nobody had been hurt by the surveillance. The program could not be considered "unconstitutional," in this view, just because there was no congressional authorization for it, or even because the military exceeded its constitutional bounds by intruding into the civilian sector of American life. The program would have been unconstitutional only if it actually infringed on the rights of specific plaintiffs who went to court. The *Tatum* plaintiffs claimed that the surveillance did just that, by threatening the privacy of political dissidents and hindering their exercise of the rights of free speech, assembly, and political association. The Justice Department replied that Tatum and his friends were not hindered; they continued meeting, marching, protesting the war, and they even went to court to assert their rights to do so. Tatum countered by pointing out that other, less hardy souls were indeed inhibited from associating with the Tatums and other protesters.

In large measure the case came down to how one viewed First Amendment rights and the measures necessary to safeguard them. To civil libertarians, First Amendment rights are not only basic, they are also very fragile. They need the solicitude of courts—what Justice William J. Brennan, Jr., calls "breathing space"—to survive. Government conduct that discourages free expression may defy precise measurement, since the identities of those discouraged are often unknowable. The ethical propriety of Rehnquist's participation in the decision was also an issue. The plaintiffs questioned the impartiality of a jurist who had publicly stated his opinion that they had no case.

The Velvet Blackjack

On June 26, 1972, the Supreme Court ruled against the newsmen in *Branzburg*. Three days later the Court ruled that the *Tatum* lawsuit should be dismissed without a trial. In each case the vote was five to four, and each time Justice White joined the four Nixon appointees—Chief Justice Burger and Justices Blackmun, Rehnquist, and Powell—to make the majority. In each case the dissenters were Justices Douglas, Brennan, Stewart, and Marshall. By the same margin and by the same lineup the Court rejected Senator Gravel's contention that the Senator and his aide were constitutionally immune from inquiry into their acquisition of the Pentagon Papers. On these highly contested issues at least, the Supreme Court had indeed been turned around.

With little hesitation, both the American Civil Liberties Union on behalf of the *Tatum* plaintiffs and Senator Gravel decided to seek a rehearing and disqualification of Justice Rehnquist.* Some lawyers privately expressed reluctance to appear to join a cabal in making such a personal move against Justice Rehnquist. Unquestionably, moving to disqualify a justice would be a disagreeable, abrasive process, but the ACLU con-

*Although the newsmen and their lawyers appeared to have a stronger claim than Gravel to an ethical challenge, it was not in their strategic interest to file a protest and they did not. For two of the three newsmen, the withdrawal of Justice Rehnquist would not have made a difference, since a four to four vote would only affirm their contempt convictions for refusing to cooperate with grand juries; the third, Caldwell, was by this time no longer sought by the grand jury.

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sidered the legal issue clear enough. If they had been silenced by a Velvet Blackjack, they would remain silent no longer.

The motion to remove, or recuse, Justice Rehnquist was based in part on the same federal disqualification statute that opponents of the Haynsworth nomination had cited in accusing him of impropriety: "Any justice or judge of the United States shall disqualify himself in any case in which he has a substantial interest, has been of counsel, is or has been a material witness, or is so related to or connected with any party or his attorney as to render it improper, in his opinion, for him to sit. . . ."

The ACLU motion said Rehnquist had been a self-styled Justice Department "spokesman" on the broad question of the constitutionality of surveillance and had appeared twice as a witness before Ervin's subcommittee. Rehnquist had not limited himself to general statements affirming the constitutionality of the program, the petition said; rather, "the concrete factual setting which he chose to discuss was the surveillance of civilians by the United States Army as depicted in the pleadings and the District Court decision in *Tatum v. Laird*, the very lawsuit" he voted on as a justice. Besides speaking publicly in the same vein, Rehnquist also complied with a request from Senator Roman L. Hruska for a legal memorandum supporting his constitutional thesis. The memorandum denied that the program of surveillance had caused any interruption in vigorous public debate.

The disqualification statute, if strictly construed, could indeed be severe, the ACLU admitted. But it quoted an important 1955 Supreme Court decision to argue that it "may sometimes bar trial by judges who have no actual bias and who would do their very best to weigh the scales of justice equally between contending parties. But to perform its high function in the best way 'justice must satisfy the appearance of justice.' " There was no need to get into the question of actual bias, the ACLU said, when the judge has merely the normal concern about the case he had started before going on the bench. Citing a decision disqualifying then federal trial judge G. Harrold Carswell from a case that had been handled in his office when he had been United States attorney, the ACLU described it as "the interest that any lawyer has in pushing his case to a successful conclusion." This was a broad definition of the term "case" suggested by the fact that the Ervin hearings and the *Tatum* lawsuit were parallel proceedings going on in different forums.

Under the circumstances, said the ACLU,

> Justice Rehnquist's impartiality is clearly questionable because of his appearance as an expert witness for the Justice Department in Senate hearings inquiring into the subject matter of the case, because of his intimate knowledge of the evidence underlying the respondents' allegations, and because of his public statements about the lack of merit in the respondents' claims.

The ACLU complaint took a second tack, referring to the new American Bar Association Code of Judicial Conduct. Canon 2 of the Code admonished that a judge "should avoid impropriety and the appearance of impropriety in all his activities" and Canon 3C required disqualification when "his impartiality might reasonably be questioned."

Doing His "Duty"

The answer came from the Court and the justice on October 10, 1972, the first decision day of the new term: "Motion to withdraw opinion of this Court denied. Motion to recuse. . . presented to Mr. Justice Rehnquist, by him denied." There followed a 16-page memorandum by Justice Rehnquist which was as unusual for its content as it was unprecedented.

First Rehnquist disposed of the ABA code as a separate and distinct basis for decision on the motion:

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"Since I do not read these particular provisions as being materially different from the standards enunciated in the congressional statute, there is no occasion for me to give them separate consideration." This was a startling statement, because the ABA canons were generally acknowledged to set a much stricter disqualification standard than the existing federal statute. The new canons applied an "appearance of justice" test—which would disqualify a judge in a doubtful case—rather than the familiar "duty to sit" concept, which federal judges had developed to permit themselves to sit in the doubtful cases. As legal authority in support of this remarkable conclusion, the justice cited none other than the 1969 majority report of the Senate Judiciary Committee majority on the Haynsworth nomination. It argued that the ABA canons then in effect should be read to harmonize with the federal statute on ethical conduct. As applied to his own case, this was dubious authority, indeed. Rehnquist underscored just how dubious it was by testimony at his confirmation hearing. He said then that the full Senate's vote against Judge Haynsworth—which indicated, of course, a rejection of the Judiciary Committee's views—inclined him toward a strict view of judicial ethics. He intended, he said, when applying the federal disqualification law, "to try to follow that sort of stricter standards that I think the Senate, by its vote, indicated should prevail."

Having reduced his problem to the dimensions of the less restrictive federal law, Justice Rehnquist proceeded to take the narrowest possible view of the word "case": "I never participated, either of record or in any advisory capacity, in the District Court, in the Court of Appeals, or in this Court in the government's conduct in the case of *Tatum v. Laird*." He added, "Since I have neither been of counsel nor have I been a material witness in *Laird v. Tatum*, these provisions are not applicable. . . . I did not have even an advisory role in the conduct of the case of *Laird v.*

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Tatum. . . ."

Turning to the statements he made before the Ervin subcommittee, Rehnquist said he had made two which were relevant to the case. One, which he quoted in his memorandum, was simply that the government had retained one print-out from the army's computer for inspection by the court in the *Tatum* case. He did not quote the second statement. If he had, he might have been forced to face the disqualification issue more squarely. This was his remark to Senator Ervin about whether "an action will lie" in the case of *Tatum v. Laird*; the remark meant, in effect, that Rehnquist opposed the case. In his memo, Rehnquist called this exchange "a discussion of the applicable law." But this, as all lawyers will recognize and most lawyers will freely state, is not a mere discussion of the "applicable law." It is a statement of how the law should be applied in a particular case. Time after time throughout the memorandum's 16 pages, Justice Rehnquist repeated that characterization of his Senate testimony. Time after time he refused to deal with the ACLU charge that he had commented on the merits —or, as witness Rehnquist had testified, lack of merits—of the lawsuit itself.

Re-Interpreting the Past

For example, the memorandum said that since most justices come to the bench no earlier than their middle years, "it would be not merely unusual, but extraordinary, if they had not at least given opinions *as to constitutional issues* in their previous legal careers. Proof that a justice's mind at the time he joined the Court was a complete *tabula rasa* in the area of constitutional adjudication would be evidence of lack of qualification, not lack of bias." [Emphasis added.] The ACLU had not contested this truism.

Later in the opinion the justice said that since no jurist starts from dead center on such issues, "it is not a ground for disqualification that a judge has prior to his nomination expressed his then understanding *of the meaning of some particular provision of the Constitution*." [Emphasis added.] This, too, was not contested.

Rehnquist's memo also subtly reinterpreted other parts of the ACLU case. In that portion of its argument based on the federal statute, the ACLU relied on the so-called mandatory clauses of Section 455—those that require disqualification if a judge has a substantial interest, has been of counsel, or is or has been a material witness. But Justice Rehnquist devoted most of his reply to the so-called discretionary clause—"so related to or connected with any party or his attorney as to render it improper, in his opinion, for him to sit." Much of his argument here had to do with the historic practices of different justices, some of whom sat in close cases. He noted that Justice Black had been criticized for sitting in Fair Labor Standards Act cases but not, to Rehnquist's knowledge, because he had been the law's manager while a senator from Alabama. Frankfurter wrote about the evils of the anti-labor injunction and helped sire the 1933 federal law against it, then wrote the Court's opinion in a major 1941 case involving the law. Justice Jackson voted in a 1950 case based on an issue he had decided as Attorney General before he joined the Court in 1941. Charles Evans Hughes criticized a decision in a law lecture a few years before becoming chief justice and nine years later wrote the Court's opinion in another case overruling the decision. Justice Harlan felt free in 1961 to join with the Court in rejecting a view he had expressed while a judge on the Second U. S. Circuit Court of Appeals. And Justice Holmes sat on no fewer than eight cases in which he had taken part while chief justice of the Massachusetts Supreme Judicial Court (this at a time when the federal law on such matters, enacted in 1891, did not apply to members of the U. S. Supreme Court). But all of these

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examples, except possibly the Holmes cases, were irrelevant, since they did not involve a justice sitting in a particular *case* about which he had already publicly commented while it was pending.

Justice Rehnquist's final reason for refusing to withdraw was based on the supposed hazards of an equally split Court (that is, the four to four vote his withdrawal would produce) and on the doctrine that a jurist had a "duty to sit" unless clearly disqualified. He deemed it undesirable that a case heard by the Supreme Court lead to a deadlocked vote. It should not be left "unsettled" in that fashion. This concern, which is valid as a general proposition, scarcely applied in the *Tatum* case, which might have been quite effectively resolved by a four to four affirmance. A tie vote would have sustained the court of appeals and required a trial on the complaint. How much preferable such a result, rather than having it decided by the vote of a disqualified justice, fresh from the ranks of the Nixon Administration where he had made something of a cause out of defending the challenged surveillance practice from legal attack.

Nothing Subtle About It

Justice Rehnquist said the "duty to sit" doctrine impelled him to sit even though "I would certainly concede that fair-minded judges might disagree about the matter." The new ABA code not only repudiated the doctrine, but also contained another provision that seemed to apply with special relevance to this situation: the section which recommended that a judge formerly employed by a governmental agency "should disqualify himself in a proceeding if his impartiality might reasonably be questioned because of such association." But of course Justice Rehnquist needed not to deal with that provision since he had already dismissed all argument based on the new code, which was not "materially different" from the standards he was applying.

Admittedly, some close questions, intriguing to lawyers and scholars, may arise when a judge sits in a case with a trace of past involvment. Often the proper response is a matter of degree. For example, Justice Thurgood Marshall's participation in civil rights cases sometimes stirs discussion, despite the fact that jurists of the white race decided civil rights cases without challenge for generations. Justice Marshall has recused himself when the National Association for the Advancement of Colored People is a party in a case before him but understandably does not sit out every new case brought by lawyers for the NAACP Legal Defense Fund, Inc., where he served as director-counsel before 1962. Justice Byron R. White repeatedly declines to sit in some criminal cases, apparently because they involve a law he lobbied through Congress as deputy attorney general under Attorney General Robert F. Kennedy. Others on the Supreme Court constantly confront ethical problems with subtle features. But there was nothing subtle about the *Tatum* case and Justice Rehnquist's relationship to it. Try as he might to restate the matter, Rehnquist judged the rights of parties after giving his view that one of the parties had no rights and after working to defeat the party's claim to rights.

Even when the Supreme Court has been taken over and reconstituted by a series of new appointments, justice is not administered by lining up the Court's members and simply polling them on controversial questions. The Court sits to decide cases, and unless its work is done judicially and judiciously, it is not a court, it is only supreme, and that not for long if its credibility erodes. The civil libertarians who were so heavily engaged in the *Tatum* case could not expect to win on the issue in the long run, given the High Court's makeup. But they had a right to expect the decision against them to be made by qualified justices. ■

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political book notes

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Captive Capital: Colonial Life in Modern Washington. Sam Smith. Indiana, $8.50. Smith, editor of the *D. C. Gazette*, writes in a strident and at times off-putting style, but the facts he presents make a thorough and persuasive case against congressional control of the District's affairs.

The Chasm: The Life and Death of a Great Experiment in Ghetto Education. Robert Campbell. Houghton Mifflin, $5.95.

Confrontation: The Middle East and World Politics. Walter Laqueur. Quadrangle/The New York Times, $8.95; Bantam, $1.95.

The Curve of Binding Energy. John McPhee. Farrar Straus & Giroux, $7.95. McPhee is a talented staff writer for *The New Yorker* who has unfortunately devoted most of his career to the trivial. This book is an exception. The story of Theodore Taylor's lonely effort to alert the world to the dangers of nuclear accident or theft has been largely ignored by intellectuals, who resist any truth that might suggest a need for more rather than the less policing that we all prefer.

Democracy and Its Discontents: Reflections on Everyday America. Daniel J. Boorstin. Random House, $5.95. The 10 essays that make up this slim book are based on a lecture series Boorstin gave in 1972. Although there is good sense in much of what he writes, the prose retains an oral, rhetorical style that leads to over-simplification and cliched writing ("A bewildered America still hasn't found its bearings. For television has brought us Too Much Too Soon.")

The Dynamics of Nuclear Balance. Albert Legault, George Lindsey. Cornell, $14.50.

Fights, Games and Debates. Anatol Rapoport. Univ. of Michigan, $4.95.

Freedom for Sale: A National Study of Pretrial Release. Paul B. Wice. Lexington.

The Future of Technological Civilization. Victor Ferkiss. Braziller, $12.50.

How Family Members Perceive Each Other: Political and Social Attitudes in Two Generations. Richard G. Niemi. Yale, $10.

How True: A Skeptic's Guide to Believing the News. Thomas Griffith. Atlantic-Little Brown, $6.95. The author was for many years an editor at *Time* and *Life*, and his recollections of life inside the Luce publications are fascinating. His commentary on the state of the news business, which alternates chapter by chapter with his memoirs, is sensible but rarely enlightening.

In Search of Light: The Broadcasts of Edward R. Murrow 1938-1961. Edward Bliss, Jr. Avon, $1.95.

The IRS Conspiracy. Henry Hohenstein. Nash, $7.95.

Journey Among the Economists. Arrigo Levi. Open Court, $8.95. Levi, a writer for the Italian daily, *La Stampa*, visited leading economists in Europe, Russia, and America (Heller, Friedman, Ackley, and a dozen more) and wrote a series of profile-interviews for his paper. The idea was far better suited to serial publication than to re-publication in one volume, for the style of the profiles becomes repetitious, and there is no coherent theme to tie them together. Still the book is quite informative, especially about the lesser-known figures.

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The Papers of Adlai E. Stevenson, Volume IV: "Let's Talk Sense to the American People," 1952-1955. Walter Johnson, et al., eds., Little, Brown, $17.50.

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Patriotism Without Flags. Daniel Lang. Norton, $6.95.

The Police Community: Dimensions of an Occupational Subculture. Jack Goldsmith, Sharon S. Goldsmith, eds. Palisades Publishers, $8.45/$4.95.

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Executive Privilege: A Constitutional Myth. Raoul Berger. Harvard, $14.95. A thorough refutation of presidential claims of authority to withhold information from Congress, the courts, and the people. The thoroughness does present something of a problem, however, since Professor Berger tiresomely repeats everything we know in the process of telling us the fresh things he has to say.

Rockefeller Power. Myer Kutz. Simon & Schuster, $7.95.

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The Twelve-Year Sentence: Radical Views of Compulsory Schooling. William F. Rickenbacker, ed. Open Court, $6.95.

U. S. Neocolonialism in Africa. Stuart Smith. International Publishers, $7.50/$2.75.

Why Nations Go to War. John Stoessinger. St. Martin's, $8.95/$3.95.

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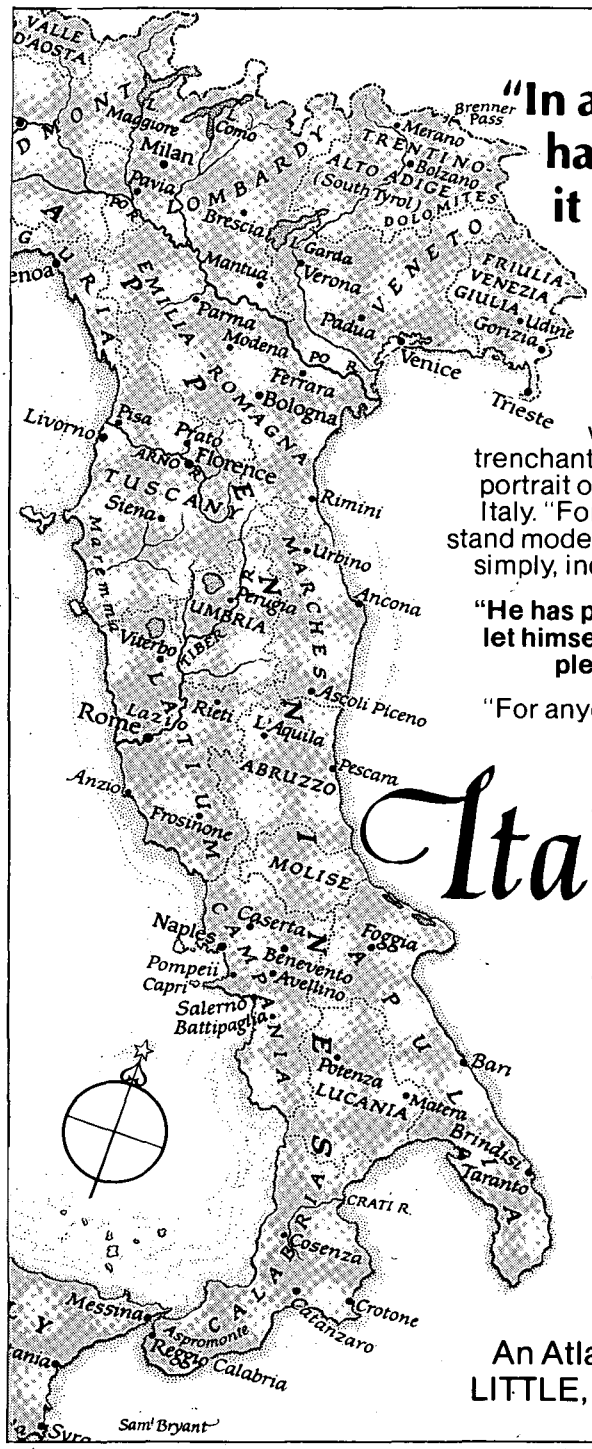

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